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Certified Public Accountant Laws of the United States

Alphyon Perry Richardson

American Institute of Accountants

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C.P.A. LAWS
OF THE
UNITED
STATES

THE
CENTURY
CO

Tennessee law declared unconstitutional

(Court decision) A.D.A. Bulletin Aug 1932 p 6

Georgia (new law) A.D.A. Bulletin, April 1935 p. 12-16

Florida (repeal of sections 28-30) A.D.A. Bulletin
Florida (Amend. of sections 10-23) July 1935, p. 12-14

Illinois (Amendment) A.D.A. Bulletin, Aug 1935, p. 12

* Wisconsin (new law) A.D.A. Bulletin, Dec 1935 p 19

Alabama (Amendment) Certified Pub. Acct Mar. 37 p 2

New Mexico (Amendment) Certified Pub. Acct - Apr 1937 p. 19

Washington (New Law) Certified Pub. Acct. Apr. 1937 p. 21

Vermont (New Law) Certified Pub. Acct. Apr 1937 p. 20

Montana (Amendment) Certified Pub. Acct. May 1937 p. 26

- Tennessee (Amendment) Certified Pub. Acct. June 1937 p. 33

* Colorado (New Law) Certified Pub. Acct. July 1937, p. 19

New Hampshire (New Law) Certified Pub. Acct - July 1937, p. 27

Idaho (Amendment) " " March 1909 - p 8

So. Dakota (re-written in new code) See C.H. Accountancy Law Service

Tennessee (New Law) Cert. Public Acct - July 1939 -

California (Amendment) " " " July 1939 - p 21

Missouri (Revision) " " " July 1939 - p 23

States Requiring no Residence

- Kentucky 2526
- N. Carolina 416
- Ohio
- S. Dakota

Notice -

Changes since October 1930
are as follows:

Oklahoma (new law) see A.D.A. Bulletin
April 16, 1931, p. 10-12.

South Dakota (new law) see A.D.A. Bulletin
March 16, 1931, p. 11-13.

Florida (new law) see A.D.A. Bulletin
July 15, 1931, p. 16-17.

New York (amendment) see A.D.A. Bulletin Apr 1932 p. 7

Arizona (new Law) see A.D.A. Bulletin
April 20, 1933, p. 7

Montana (new Law)
April 20, 1933, p. 11-3

Alaska (existing law repealed) June 15 1933 p. 14
May 2, 1933

Connecticut (amended) see A.D.A. Bulletin
May 15, 1933, p. 12-3.

Minnesota (amended) see A.D.A. Bulletin
May 15, 1933 p. 13.

Declared unconstitutional A.D.A. Bulletin Oct 1934
(Court decision) p. 9-11.

Montana (amendment) A.D.A. Bulletin Apr. 1935 p. 17-8

C. P. A. LAWS OF THE UNITED STATES

CERTIFIED
PUBLIC ACCOUNTANT
LAWS
OF THE UNITED STATES

*Published under the auspices of
American Institute of Accountants*



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AMERICAN INSTITUTE OF ACCOUNTANTS

It is the purpose of the American Institute of Accountants, in collaboration with The Century Co. of New York, to present to the reading public those books for which there seems to be a genuine demand by people who are interested in the science of accounting. It is for that reason that the present volume, containing the laws regulating the certification of public accountants in the states, the territories and the District of Columbia, is published. There has been much substantive change since the last publication of these laws in the Institute's year-book of 1916 and many entirely new laws have been written since that time.

The text of each law has been corrected by competent authority in the state of origin and every effort has been made to avoid inaccuracy. The marginal notes are indicative of the contents of the sections and paragraphs of the laws, but except in a few instances these explanatory notes are inserted by the editor.

Every state and territory of the United States now has a law governing professional accountancy. Probably the day of constant amending of old laws and introduction of new is drawing to a close. There will be changes, of course, from time to time, but it seems safe to assume that for the most part the laws as they appear in this book will remain as they are for some time to come.

A. P. RICHARDSON, *Editor*.

September 1, 1930.

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C. P. A. LAWS OF THE UNITED STATES

ALABAMA

CHAPTER 2, CODE OF 1923

16. Any citizen of the United States, residing or having a place for the regular transaction of business in the state of Alabama, being over the age of twenty-one years, of good moral character, and who shall have received from the state board of public accountancy a certificate of his qualifications to practise as an expert public accountant as hereinafter provided, shall be styled or known as a certified public accountant, and it shall be unlawful for any other person or persons to assume such title or use any letters, abbreviation or words to indicate that such a one using same is a certified public accountant.

Certified
public ac-
countants
defined

17. The governor shall appoint three persons, one of whom shall be a reputable attorney at law, the other two shall be skilled in the practice of accountancy and actively engaged therein in this state. Said appointment shall be one for a term of two years, one for a term of three years and one for a term of four years, said members to establish and constitute the Alabama state board of public accountancy. At the expiration of the term of any member of said board, the governor shall appoint his successor, to serve for a term of four years, or until such time as his successor may be appointed and qualified. All vacancies created by death, resignation or otherwise, shall be filled by appointment by the governor for the unexpired term. The members of the Alabama state board of public accountancy, the first board excepted, shall be appointed from the holders of certificates issued under and by virtue of this chapter, except one member of said board shall be a reputable attorney at law. Within fifteen days after their appointment the members of said board shall take an oath before any person lawfully authorized to administer oaths in this state, to faithfully and impartially perform their duties as members of said board, and the same shall be filed with the secretary of state.

Appointment
of board

18. The Alabama state board of public accountancy may adopt a seal, adopt and enforce all necessary rules, regulations, by-laws, etc., to govern its proceedings and regulate the mode of conducting examinations to be held under this chapter, provided said examina-

Rules and
by-laws
adopted by
board; ex-
aminations

tions shall be held at least twice a year in the city and county of Montgomery, state of Alabama. The examinations shall cover a knowledge of the "theory of accounts," "practical accountancy," "auditing," "commercial law as affecting accountancy," and such other branches of knowledge pertaining to accountancy as the board may deem necessary to maintain the highest standard of proficiency in the profession of practical accounting. The board may issue certificates under their signature and the official seal of the board as provided in this chapter. And the said board shall, within thirty days after each examination, notify applicants who may have failed therein, of such failure, and in what branch or branches deficiency was found.

Fees charged
applicants;
expenses of
board

19. The Alabama state board of public accountancy shall be authorized to charge each applicant for a certificate, a fee not to exceed the sum of twenty-five dollars, the same to be paid when the application is filed. Out of the funds collected under this chapter, shall be paid the expenses of the said board, including mileage, hotel expenses, and an amount not to exceed ten dollars per day for the time expended in conducting examinations and issuing certificates, but no expense incurred by said board shall ever be charged against the funds of the state.

Certificates
of other
states

20. The Alabama state board of public accountancy may, in its discretion, register the certificate of any certified public accountant under the law of another state, and may issue to such certified public accountant a certificate which will entitle the holder to practise as such public accountant and to use the abbreviation, "C. P. A.," in this state, provided the state issuing the original certificate grants similar privileges to the certified public accountants of this state. The fee for registration shall not exceed the sum of twenty-five dollars.

Revocation of
certificate

21. The Alabama state board of public accountancy may revoke any certificate issued under this chapter, or may cancel the registration of any certificate registered under this chapter, for any unprofessional conduct of the holder of such certificate, or for other sufficient cause, provided written notice shall have been mailed to the holder of such certificate twenty days before any hearing thereon, stating the cause for such contemplated action and appointing a day for a full hearing thereon by said board. No certificate issued under this chapter shall be revoked until such hearing shall have been heard; but nothing herein contained shall prevent a certified public accountant associating himself with any

individual, partnership, or corporation, either as an employee or otherwise.

CHAPTER 216

5253. Any person who shall represent himself to the public as having received a certificate under the laws of Alabama to practise as a public accountant, or who uses the abbreviations "C. P. A.," or any similar words or letters, to indicate that he or the person using the same is a certified public accountant, without having received a registration certificate as is provided by the laws of this state for public accountants; or if any person who has received a certificate as is provided for by law, has thereafter lost or forfeited such certificate by revocation, as is provided for by law, and shall continue to practise as a certified public accountant, shall be guilty of a misdemeanor, and, upon conviction, shall be fined not less than one hundred nor more than five hundred dollars, and may be sentenced to hard labor for the county, at the discretion of the court trying the case, for a period not longer than six months.

Use of title
"C. P. A."

ALASKA

AN ACT establishing a territorial board of accountancy and defining its powers and providing a penalty for the unlawful use of titles and degrees, and appropriating funds for the organization and maintenance of such board. (Approved, May 3, 1923; amended, April 28, 1925.)

Be it enacted by the legislature of the territory of Alaska:

Board of
accountancy
created

Section 1. There is hereby created a territorial board of accountancy consisting of three members. Each member of the board shall be a person skilled in the knowledge and practice of accountancy, a citizen of the United States and a resident of the territory of Alaska, and, except as hereinafter provided, shall have passed a satisfactory examination and received a degree in public accounting under the laws of the territory of Alaska. The first three members of the board, by virtue of their appointment, shall be deemed certified public accountants during their term of office.

Appointment
of members;
terms of
office

Section 2. The first three members of the board shall be appointed by the governor of Alaska within thirty days after the date on which this act becomes effective, or as soon thereafter as may be convenient. Of the members so appointed, one shall hold office for the period of two years from and after January 1, 1925, one for four years after said date, and one for six years after said date, and until the appointment of their successors. Each second year the governor, with the advice and consent of the senate shall appoint one member of the board who shall serve for a term of six years and until his successor shall have been appointed. A vacancy on the board shall be filled by the governor by appointment for the unexpired term, subject, however, to confirmation by the senate when the senate shall next again be in session after the date of such appointment. The appointment of a member of the board to fill a vacancy on the board shall be in all respects valid and effective unless and until the senate shall refuse to confirm such appointment.

Election and
bonding of
officers;
records and
reports of
board

Section 3. The board shall organize by electing one of its members president, and one secretary and treasurer. The secretary and treasurer shall give bond to the territory in such sum and with such sureties as the board shall direct, which bond shall be executed in duplicate, one for filing with the board, and the other with the territorial treasurer. The board shall keep a record of all its proceedings and shall report annually to the governor.

Section 4. A citizen of the United States and of the territory of Alaska, not less than twenty-five years of age, of good moral character, who shall have a diploma from a recognized high school or shall present satisfactory evidence of an equivalent education, who shall have had not less than five years' experience in the practice of accountancy, and who has received from the territorial board of accountancy a certificate of his qualifications shall be styled and known as a certified public accountant, and no other person, except as hereinafter provided, shall assume such a title or use the letters "C. P. A." or other words indicating that he is a certified public accountant. Upon presentation of evidence that he is a holder of the degree of certified public accountant, such holder shall be exempted from the performance of jury duty in civil actions if he so requests. A certified public accountant shall not be subject to examination on confidential communications between his client and himself nor forced to divulge any information which he shall have acquired as a confidential communication, except at the instance of his client, and any certified public accountant who shall otherwise divulge such information shall have his certificate revoked and shall not afterwards be licensed to practise accountancy in the territory.

Who may be certified; use of title "C. P. A."; exemption from jury duty; confidential communications

Section 5. Examinations shall be held at the times and places selected by the board, but the board shall not hold more than two examinations in any one calendar year. Examination shall be written and such additional oral examinations may be given as the board may prescribe. The written examinations of applicants shall be those prescribed by the American Institute of Accountants in the rules of the board of examiners of that institute approved June 13, 1922, or as may be altered from time to time by the council of said American Institute of Accountants. The board may make the necessary arrangements with the council of the American Institute of Accountants to grade the answers of the candidates, but the final grading of the answers shall be made by the board. Provided, however, that in any case where the person wishing to take the examination resides in a place remote from the meeting place of the board, the examination of such person may be given under the supervision of some reliable person, not a member of the board, of good standing in the community in which he resides, such examiner to be appointed by the board. In such case the board shall make proper rules and regulations to insure a fair and proper examination. The answers of the person or persons so examined

Examinations; grading of papers

shall, upon close of the examination, be immediately sealed up by the examiner and forthwith transmitted to the board by registered mail, and the board shall thereupon grade the examination papers the same as in the case of persons examined before the members of the board. Nothing herein contained shall be so construed as to prevent one member of the board from giving examinations under directions of and with consent of the board, but all examination papers shall be finally graded by the board.

**Fee for
examination**

Section 6. At the time of examination each applicant shall pay to the board a fee of twenty-five dollars (\$25.00) which shall not be refunded, but an applicant may be re-examined once without the payment of an additional fee within eighteen (18) months from the date of his first examination. All fees so collected shall be covered into the territorial treasury.

**Funds of
board**

Section 7. For the establishment and maintenance of the board there is hereby appropriated out of any money in the territorial treasury not otherwise appropriated, the sum of five hundred dollars, the same to be disbursed as other territorial funds, but vouchers for all such disbursements must be approved by at least one member of the board.

**Certificates
from other
jurisdictions**

Section 8. A person who shall qualify for examination and shall in addition present satisfactory evidence that he is the holder of an unrevoked certificate from another state or a foreign country may be granted a certificate by the board without formal examination and upon the payment of such fee as the board shall direct, but which shall not exceed one hundred (\$100.00) dollars.

**Revocation of
certificates**

Section 9. The board shall have the authority to revoke upon reasonable cause any certificate issued by it after a hearing shall have been had by the board. The holder of such certificate shall be notified of such hearing at least two months prior to the date thereof by registered mail.

**Preference
given to
certified
public ac-
countants in
public ap-
pointments**

Section 10. Where practicable and in consonance with the best interests of the territory, the governor shall, in the appointment of all accountants and auditors for the territory, give preference to those holding certificates from the board as certified public accountants.

**Practice of
accountancy;
use of titles
and degrees**

Section 11. Nothing in this act shall be construed to prohibit any person from practising accountancy. Nothing in this act shall be construed to prohibit the holder of an unrevoked degree from another state or foreign nation from describing himself as so authorized; provided, that such person shall indicate in full, not by abbreviations,

violation, and after each title or description each and every time it is used, the source thereof or authority therefor.

Section 12. Any person or persons who shall unlawfully make use of words or descriptions to indicate that he or they are in possession of a certificate from the board shall be deemed guilty of a misdemeanor, and shall be punishable by a fine of not more than one hundred (\$100.00) dollars or imprisonment for not more than one month, or both, at the discretion of the court.

Violations
and penalties

Section 13. The secretary and treasurer of the board shall each year, within thirty days after January first, render to the governor of Alaska a report setting out the number of persons examined by the board during the preceding calendar year, the number who received the degree of certified public accountant from the board, the number of those examined who failed to pass such examination, the number of persons re-examined, the number of certificates revoked, and the total amounts received and disbursed by the board. With such report the secretary and treasurer of the board shall transmit, by money order, draft or other form of exchange payable to the treasurer of the territory of Alaska, all funds in possession of the board.

Reports and
disposition of
funds of
board

ARIZONA

(HOUSE BILL NO. 13 OF SESSION LAWS OF 1919)

AN ACT regulating the practice of certified public accounting, creating a board of accountancy, providing for the granting of certificates and the registration of certified public accountants, providing for examinations, the suspension or revocation of certificates issued by the board, prescribing the qualifications of persons entitled to certificates as certified public accountants, creating (defining) misdemeanor for a violation of the provisions hereof, and prescribing the punishment (penalty) therefor. (Approved March 12, 1919.)

Be it enacted by the legislature of the state of Arizona:

Who may be certified

Section 1. Any citizen of the United States, or person who has declared his intention of becoming such, having a place for the regular transaction of business as a professional certified accountant in the state of Arizona, and who, as in this act required, shall have received from the secretary of state for the state of Arizona, a certificate of his qualification to practise as a certified public accountant, as hereinafter provided, shall have the authority to style himself and to be known as a certified public accountant, and to use the abbreviated title C. P. A. for and during the term mentioned in his certificate.

State board of accountancy

Section 2. The governor shall, within thirty days after the taking effect of this act, appoint three persons, who shall constitute the board of accountancy, each member of which shall have been engaged in the reputable practice as a public accountant for a continuous period of three years immediately preceding the passage of this act, one of which shall have been in the state of Arizona. The persons first appointed shall hold office for one, two and three years, respectively. Upon the expiration of each of said terms a member, who shall be a holder of a certificate issued under this act, shall be appointed for a term of three years.

Duties of board

Section 3. The board of accountancy, the majority of which shall, in all cases, have the powers of the board, shall determine the qualifications of persons applying for certificates under this act, shall make rules for the examination of same, which shall embody the following:

Examinations

(a) Examinations shall be held by the board at least once in each year, at such times and places as may be determined by them. The time and place of holding such examinations shall be advertised

for not less than three consecutive days, not less than thirty (30) days prior to the date of such examination, in at least two daily newspapers printed and published in this state. The examination shall be in "theory of accounts," "practical accounting," "auditing," and "commercial law as affecting accountancy."

(b) Applicants for certificates, before taking the examination, must produce evidence satisfactory to the board that they are over twenty-one years of age, of good moral character, a graduate of a high school with a four years' course, or have an equivalent education, or pass an examination to be set by the board, and that they have had at least three years' practical experience as professional public accountants.

Qualifications

(c) After the examination provided by this act, the board shall, if in its judgment the applicants be entitled thereto, certify to the secretary of state the name and address of each person to be registered and to whom certificates of registration are to be issued. It shall thereupon be the duty of the secretary of state to register such persons as certified public accountants, and to issue them certificates of registration. The secretary of state shall be entitled to receive \$2.50 for each registration and certificate issued, to be paid out of the funds accumulated by this act.

Registration

(d) In the event the board shall waive the examination of any person of competent age, as in this act provided, the name of such person shall likewise be certified to the secretary of state, who shall likewise register such person and issue such certificate upon payment of the fees required hereunder.

Registration under waiver

(e) All applications must be filed with the board of accountancy and be accompanied by the following fees: for examination for recommendation for waiver of same as provided in section 4, \$25.00; for registration under section 5, \$25.00; for issuance of certificate, \$10.00.

Applications; fees

Provided, however, that in the event any candidate fails to pass the required examination, he shall be entitled to take a second examination, within one year after the date of the examination at which he fails to pass, without paying a second fee.

(f) From fees collected, the board shall pay all expenses incident under this act; provided, however, that no expense incurred shall be a charge against the funds of the state, and that the remuneration of each examiner shall not exceed the sum of ten dollars per day while engaged in their duties as such, exclusive of the necessary

Expenses of board

traveling and other expenses, to which they shall also be entitled; provided, however, that all moneys received in excess of the fees and expenses herein provided for shall be held by the treasurer of said board as a special fund for other like expenses of said board in carrying out the provisions of this act, but the said treasurer shall file a report with the governor at the close of each calendar year, showing the amount of moneys received during said year, the amount expended, and for what purpose, and also the total balance remaining in his hands, which report shall be subscribed and sworn to by said treasurer.

Officers of
board

(g) The board shall annually elect from its number, a president, secretary and treasurer, and all certificates required to be executed for and on behalf of the board shall be certified over the signature of the president and secretary.

Waiver

Section 4. The board may, in their discretion, waive the examination of any person of competent age, of good moral character, and who has been engaged in reputable practice as a public accountant for a continuous period of three years, one of which shall have been in the state of Arizona immediately preceding the passage of this act, or who has been employed as an accountant by reputable firms of accountants for a continuous period of five years immediately preceding the passage of this act, one of which shall have been in the state of Arizona, and who shall apply in writing to the board for such certificate within six months after the taking effect of this act.

Certificates
from other
states

Section 5. The board may, in their discretion, issue a certificate to the secretary of state, to the effect that any person who is the lawful holder of a certified public accountant's certificate, issued under the law of another state which provided for similar registration, which established a standard of qualification as high as that required under this act, and upon the reception of such certificate the secretary of state shall issue to such person a certificate of registration, which shall entitle the holder to practise as such certified public accountant and to use the abbreviation C. P. A. in this state.

Revocation of
certificates

Section 6. The board may revoke or cancel the registration of any certificate issued under this act for unprofessional conduct of the holder or other sufficient cause; provided, that written notice shall have been mailed to the holder of such certificate at least twenty days before any hearing thereon, stating the cause of such contemplated action, and appointing a day for full hearing thereon by the board, and provided further, that no certificate issued under

this act shall be revoked until such hearing shall have been held or the opportunity for such afforded the person charged. In the event of the revocation, cancellation or suspension of any such certificate, the board shall notify the secretary of state of its action in the premises, and the secretary of state shall note such order of the board upon the records kept in his office.

Section 7. If any person represents himself to the public as having received a certificate as provided in this act, or shall assume to practise as a certified public accountant, or use the abbreviation C. P. A., or any similar words or letters, to indicate that the person using the same is a certified public accountant, without having received such certified public accountant certificate, or without having received a registration certificate, as provided in this act, or if any person, having received a certificate, as provided in this act, and having thereafter been deprived of such certificate by revocation, as herein provided, shall continue to practise and hold himself out as a certified public accountant, he shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be fined a sum not less than fifty dollars, nor more than five hundred dollars for each offense, and each day such person shall so offend shall be deemed a separate offense. Nothing in this act shall be construed to prohibit any person from practising as a public or expert accountant in this state, but said act shall only apply to such persons as practise and hold themselves out to be certified public accountants.

Violation
and penalties

Section 8. If any person practising in the state of Arizona, as a certified public accountant under this act, or who is in the practice of public accountancy as a certified public accountant, or otherwise, shall wilfully falsify any report or statement bearing on any examination, investigation or audit made by him, or under his direction, he shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not less than one hundred dollars, nor more than one thousand dollars, or shall be imprisoned in the county jail for a term not less than three months nor more than one year, or by both such fine and imprisonment for each time he may so falsify such reports.

Falsification
of reports

Section 9. All laws and parts of laws in conflict with the provisions of this law are hereby repealed.

ARKANSAS

AN ACT regulating the practice of public accounting; creating a board of accountancy; providing for the granting of certificates and the registration of certified accountants; providing for examinations; the suspension or revocation of certificates issued by the board; prescribing the qualifications of persons entitled to certificates as certified public accountants; creating (defining) misdemeanors for a violation of the provisions hereof, and prescribing the punishment (penalty) therefor. (Approved March 30, 1915; amended March 29, 1927.)

Be it enacted by the general assembly of the state of Arkansas as follows:

Who may be certified

Section 1. Any citizen of the United States, or person who has declared his intention of becoming such, having a place for the regular transaction of business as a professional accountant in the state of Arkansas, and who, as in this act required, shall have received from the secretary of state for the state of Arkansas, a certificate of his qualifications to practise as a public accountant, as hereinafter provided, shall have the authority to style himself and be known as a certified public accountant, and to use the abbreviated title C. P. A. for and during the term mentioned in his certificate.

State board

Section 2. The state board of accountancy shall consist of three persons who shall be appointed by the governor within thirty days after the taking effect of this act, each member of which shall have been engaged in reputable practice as a certified public accountant within the state of Arkansas for two years immediately preceding the passage of this act. The persons first appointed shall hold office for one, two and three years respectively and upon the expiration of each of their said terms, a member, who shall be a holder of a certificate issued by the state of Arkansas, and who shall comply with the qualifications of this act shall be appointed for a term of three years, provided, that no member of the board shall be eligible for reappointment until a full term of three years shall have elapsed.

Duties of board

Section 3. The board of accountancy, the majority of which shall in all cases have the powers of the board, shall determine the qualifications of persons applying for certificates under this act,

and shall make rules for the examination of same which shall embody the following:

(a) Examinations shall be held by the board at least once in each year, at such times and places as may be determined by them. The time and place of holding such examinations shall be advertised for not less than three consecutive days, not less than thirty days prior to the date of each examination, in at least two daily newspapers, printed and published in this state. The examination shall be in theory of accounts, practical accounting, auditing and commercial law as affecting accountancy.

Date of examination; examination shall include

(b) Applicants for certificates, before taking the examination, must produce evidence satisfactory to the board that they are over twenty-five years of age, of good moral character, a graduate of a high school with a four years' course, or have an equivalent education, or pass an examination to be set by the board, and that they have had at least three years' practical accounting experience.

Requirements

(c) After the examination provided by this act the board shall, if in its judgment the applicants be entitled thereto, certify to the secretary of state, the names and addresses of persons to be registered and to whom certificates of registration are to be issued. It shall thereupon be the duty of the secretary of state to register such persons as certified public accountants, and to issue to them certificates of registration. The secretary of state shall be entitled to receive \$2.50 for each registration and certificate issued, to be paid out of the funds accumulated by this act.

Certificate

(d) In the event the board shall waive the examination of any person of competent age, as in this act provided, the name of such person shall likewise be certified to the secretary of state, who shall likewise register such person and issue such certificate upon payment of the fees required hereunder.

Waiver

(e) All applications must be filed with the board of accountancy and be accompanied by the following fees: for examination or recommendation for waiver of same, as provided in section 4, \$25.00; for registration under section 5, \$25.00; for issuance of certificate, \$10.00.

Fees

Provided, however, that in the event any candidate fails to pass the required examination, he shall be entitled to take a second examination, within one year after the date of the examination at which he failed to pass, without paying a second fee.

(f) From fees collected the board shall pay all expenses incident under this act; provided, that no expense incurred shall be a charge

Disposition of fees

against the funds of the state, and that the remuneration of each examiner shall not exceed the sum of \$5.00 per day, while engaged in his duties as such, exclusive of the necessary traveling and other expenses, to which he shall also be entitled. Provided, however, that all moneys received in excess of the fees and expenses herein provided for, shall be held by the treasurer of said board as a special fund for other like expenses of said board in carrying out the provisions of this act, but said treasurer shall file a report with the governor at the close of each calendar year, showing the amount of moneys received during said year, the amount expended, and for what purpose and also the total balance remaining in his hands, which report shall be subscribed and sworn to by said treasurer.

Officers

(g) The board shall annually elect from its number a president, secretary and treasurer, and all certificates required to be executed for and on behalf of the board shall be certified over the signatures of the president and secretary.

Waiver at inception of act

Section 4. The board may, in its discretion, waive the examination of any person of competent age, of good moral character, and who has been engaged in reputable practice as a public accountant for a continuous period of three years, one of which shall have been in the state of Arkansas immediately preceding the passage of this act, or who has been employed as an accountant by reputable firms of accountants for a continuous period of five years immediately preceding the passage of this act, one of which shall have been in the state of Arkansas, and who shall apply in writing to the board for such certificate within six months after the taking effect of this act.

Reciprocity

Section 5. The board may, in its discretion issue a certificate to the secretary of state to the effect that any person who is the lawful holder of a certified public accountant's certificate issued under the law of another state which provided for similar registration, and which established a standard of qualification as high as that required under this act, and upon the reception of such certificate, the secretary of state shall issue to such person a certificate of registration, which shall entitle the holder to practise as such certified accountant, and to use the abbreviation C. P. A. in this state.

Revocation of certificates

Section 6. The board may revoke or cancel the registration of any certificate issued under this act for unprofessional conduct of the holder or other sufficient cause; provided, that written notice shall have been mailed to the holder of such certificate at least twenty days before any hearing thereon, stating the cause of such contemplated action and appointing a day for full hearing thereon

by the board; and provided further, that no certificate issued under this act shall be revoked until such hearing shall have been held or the opportunity for such afforded the person charged. In the event of the revocation, cancellation or suspension of any such certificate, the board shall notify the secretary of state of its action in the premises, and the secretary of state shall note such order of the board upon the records kept in his office.

Section 7. If any person represents himself to the public as having received a certificate as provided in this act, or shall assume to practise as a certified public accountant, or use the abbreviation C. P. A., or any similar words or letters to indicate that the person using the same is a certified public accountant without having received such certified public accountant certificate, or without having received a registration certificate as provided in this act; or any person having received a certificate as provided in this act and having thereafter been deprived of such certificate by revocation as herein provided, shall continue to practise, and hold himself out as a certified public accountant, he shall be deemed guilty of a misdemeanor and upon conviction thereof, shall be fined a sum of not less than fifty dollars nor more than five hundred dollars for each offense, and each day such person shall so offend shall be deemed a separate offense. Nothing in this act shall be construed to prohibit any person from practising as a public or expert accountant in this state, but said act shall only apply to such persons as practise and hold themselves out to be certified public accountants.

Penalties for
practice
without
license

Section 8. If any person practising in the state of Arkansas as a certified public accountant, under this act, or who is in the practice of public accountancy as a certified public accountant, or otherwise, shall knowingly or wilfully, falsify any report or statement bearing on any examination, investigation or audit made by him, or under his direction or make any false certificate, he shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not less than one hundred (\$100.00) dollars, nor more than one thousand (\$1,000.00) dollars or shall be imprisoned in the county or city jail for a term of not less than three months nor more than one year, or both such fine and imprisonment, for each time he may so falsify such reports.

Penalty for
false
statements

Section 9. This act being necessary for the immediate preservation of the public peace, health and safety, the same shall take effect and be in force from and after its passage.

CALIFORNIA

AN ACT to create a state board of accountancy and prescribe its duties and powers; to provide for the examination of and issuance of certificates to qualified applicants, with the designation of certified public accountant; and to provide the grade of penalty for violations of the provisions hereof. (Approved March 23, 1901; amended, 1913 and 1929.)

The people of the state of California, represented in senate and assembly, do enact as follows:

State board

Section 1. Within thirty days after the passage of this act the governor shall appoint five persons, at least three of whom shall be competent and skilled public accountants, who shall have been in practice as such in this state for not less than five consecutive years, to constitute and serve as a state board of accountancy. The members of such board shall, within thirty days after their appointment, take and subscribe to the oath of office as prescribed by the political code, and file the same with the secretary of state. They shall hold office for four years, and until their successors are appointed and qualified; save and except that one of the members of the board first to be appointed under this act shall hold office for one year; one for two years; one for three years, and two for four years. Any vacancies that may occur from any cause, shall be filled by the governor for the unexpired term; provided, that all appointments made after the first year must be made from the roll of certificates issued and on file in the office of the governor.

Powers and duties

Section 2. The state board of accountancy shall have its office in the city and county of San Francisco, and its powers and duties shall be as follows:

Rules

(1) To formulate rules for the government of the board and for the examination of and granting of certificates of qualification to persons applying therefor;

Examinations

(2) To hold written examinations of applicants for such certificates, at least semi-annually, at such places as circumstances and applications may warrant;

Certificates

(3) To grant certificates of qualification to such applicants as may upon examination be found qualified in theory of accounts, practical accounting, auditing and commercial law, to practise as certified public accountants;

Fees

(4) To charge and collect a fee of twenty-five dollars from all applicants before any such applicant shall be allowed to take such

examination for said certificate of qualification to practise as a certified public accountant; provided, however, that no additional fee shall be charged for the issuance of a certificate of qualification to those applicants who at such examination are found to be qualified therefor; and, provided, further, that in no event shall any portion of said fee be returned to such applicant;

(5) To require the annual renewal of all such certificates, and to collect therefor a renewal fee of not exceeding one dollar; **Renewals**

(6) To revoke for cause any such certificate, after written notice to the holder, and a hearing being had thereon; provided, that such revocation must receive the affirmative vote of at least four members of the board; **Revocation of certificates**

(7) To report annually to the governor, on or before the first day of December, all such certificates issued or renewed, together with a detailed statement of receipts and disbursements; provided, that any balance remaining in excess of the expenses incurred may be retained by the board and used in defraying the future expenses thereof;

(8) The board may, in its discretion, under regulation provided by its rules, waive the examination of applicants possessing the qualifications mentioned in section three, who shall have been for more than three years prior to the passage of this act practising in this state as public accountants on their own account, and who shall, in writing, apply for such certificates within one year thereafter. **Waiver**

Section 3. Any citizen of the United States, or any person who has duly declared his intention of becoming such citizen, residing and doing business in this state, being over the age of twenty-one years and of good moral character, may apply to the state board of accountancy for examination under its rules, and for the issuance to him of a certificate of qualification to practise as a certified public accountant, and upon the issuance and receipt of such certificate, and during the period of its existence, or of any renewal thereof, he shall be styled and known as a certified public accountant or expert of accounts, and no other person shall be permitted to assume and use such title or to use any words, letters or figures to indicate that the person using the same is a certified public accountant. **Who may be certified**

Section 3a. Any citizen of the United States, or any person who has declared his intention of becoming such citizen, being over the age of twenty-one years and of good moral character, who has complied with the rules and regulations of the board appertaining to such cases, and who holds a valid and unrevoked certificate

as a certified public accountant, or the equivalent thereof, issued by or under the authority of any other state of the United States, or the District of Columbia, or any territory of the United States, or by or under the authority of a foreign nation, when the board shall be satisfied that their standards and requirements for a certificate as a certified public accountant are substantially equivalent to those established by the act of which this act is an amendment, may at the discretion of the board receive a certificate as a certified public accountant, and said person may thereafter practise as a certified public accountant and assume the name, title and style of "certified public accountant" or any abbreviation or abbreviations thereof, in the state of California; provided, however, that such other state, territory or nation extends similar privileges to certified public accountants of the state of California.

Violations

Section 4. Any violation of the provisions of this act shall be deemed a misdemeanor.

Section 5. This act shall take effect from and after its passage.

Creation and
disposition of
accountancy
fund

Section 6. Within thirty days after the date upon which this act becomes effective, the state board of accountancy shall account for and report the unencumbered balance of all moneys heretofore received and collected from whatsoever source and for whatsoever purpose under the provisions of the act of which this act is an amendment, to the state controller and at the same time said moneys shall be remitted to the state treasury to the credit of a fund to be known as "the accountancy fund," which said fund is hereby created.

All moneys hereafter received by said board under the provisions of the act of which this act is an amendment from whatsoever source and for whatsoever purpose, shall be accounted for and reported monthly by said board to the state controller and at the same time said moneys shall be remitted to the state treasury to the credit of said accountancy fund. Said fund shall be expended, in accordance with law, for the payment of all actual and necessary expenses incurred in carrying out the provisions of the act of which this act is an amendment; provided, however, that the provisions of the budget bill finally enacted at the forty-eighth session of the legislature or at any subsequent session of the legislature, relating to or mentioning said accountancy fund shall be applicable to the fund herein created in the same manner as those provisions of said budget bill referring to or mentioning other similar funds are applicable to such latter funds.

COLORADO

AN ACT to create a state board of accountancy and to regulate public accountants. (Approved March 27, 1907.)

Be it enacted by the general assembly of the state of Colorado:

Section 1. Within thirty days after the passage of this act, the governor shall appoint three persons to constitute a state board of accountancy. The members of said board shall be persons skilled in the knowledge and practice of accounting and actively engaged as professional accountants within the state of Colorado.

Section 2. The members of such board shall hold office for three years or until their successors are appointed and have qualified, except that of the members first appointed under this act, one shall hold office for one year, one for two years and one for three years. The term of office of each to be designated by the governor in his appointment. Upon the expiration of each of said terms a member shall be appointed by the governor for the term of three years, and after the thirty-first day of December, 1907, the members of said board shall be appointed from among the holders of certificates issued under this act.

Section 3. The board shall determine the qualifications of persons applying for certificates under this act, and make rules for the examination of applicants and the issue of certificates herein provided for.

Section 4. The board shall organize by the election of one of its members as president, one member as secretary and one member as treasurer; provided, however, that the office of secretary and treasurer may be held by one person.

Section 5. The treasurer shall give bond to the state in such sum as may be determined by the board.

Section 6. The board shall keep a complete record of all its proceedings, and shall annually submit a full report to the governor.

Section 7. The board shall grant certificates of qualification to such applicants as may, upon examination, be qualified in "theoretical" and "practical" accounting, "commercial law" as affecting accountancy, and in such other subjects as the board may deem advisable.

A majority of the board shall constitute a quorum, and the vote of two members shall be considered as the action of the board.

Who may be certified

Section 8. Any citizen of the United States, or person who has duly declared his intention of becoming such citizen, over the age of twenty-one years, of good moral character, being a graduate of a high school or having had an equivalent education, who has had at least three years' experience in the practice of accounting, and has passed a satisfactory examination as herein provided, shall be entitled to a certificate as public accountant, and shall be styled and known as a certified public accountant.

Examinations

Section 9. The examinations shall be held as often as may be necessary in the opinion of the board, and at such times and places as it may designate, but not less frequently than once in each calendar year.

Fees

Section 10. The board shall charge for each examination and certificate provided for in this act, a fee of twenty-five dollars (\$25.00). This fee shall be payable to the treasurer of the board by the applicant at the time of filing the application. In no case shall the examination fee be refunded, but said applicant may be re-examined within eighteen months from the date of his application without payment of an additional fee.

Compensation

Section 11. The members of the board to be appointed under the provisions of this act shall be paid for the time actually expended in the pursuance of the duties imposed upon them by this act an amount not exceeding ten dollars (\$10.00) per day, and they shall also be entitled to necessary traveling expenses.

Expenses of board

Section 12. From the fees collected, the board shall pay all expenses incident to the examinations to be held under this act, the expenses of preparing and issuing certificates, the traveling expenses of examiners, and their compensation while performing their duties under this act, provided, that no expense incurred under this act shall be a charge against the state. Any surplus arising shall at the end of each year be deposited by the treasurer of the board with the state treasurer to the credit of the general fund.

Waiver

Section 13. Any person who files his application within six months after the organization of the board, and is at the time of filing said application a public accountant and has practised as such for at least three years next preceding the date of his application, the last year of which has been in the state of Colorado, shall file with his application proof of said facts. The board shall consider said proofs and such other evidence as may be procured, and if it be satisfied that the statements contained in said application and proofs are true, and that the applicant is of good moral character,

the board shall accept said proofs and evidence in lieu of an examination, and shall grant said applicant a certificate.

Section 14. Any citizen of the United States or person who has declared his intention of becoming such citizen, over twenty-one (21) years of age, of good, moral character, and who has complied with the rules and regulations of the board pertaining to such cases, and who holds a valid and unrevoked certificate as a certified public accountant, or the equivalent thereof, issued by or under the authority of any other state of the United States, or of the United States, or the District of Columbia, or any territory of the United States, or by or under the authority of a foreign nation, when the board shall be satisfied that their standards and requirements for a certificate as a certified public accountant are substantially equivalent to those established by this act, may at the discretion of the board receive a certificate as a certified public accountant, and such person may thereafter practise as a certified public accountant and assume and use the name, title and style of "certified public accountant" or any abbreviation or abbreviations thereof, in the state of Colorado, provided, however, that such other state or nation extends similar privileges to certified public accountants of the state of Colorado.

Reciprocity

Section 15. The board may revoke any certificate issued under this act for sufficient cause, provided that written notice shall have been mailed to the holder of such certificate at his last known address at least twenty days before any hearing thereon, stating the cause of such contemplated action, and appointing a time for a hearing thereon by the board; and, provided further, that no certificate issued under this act shall be revoked until such hearing shall have been had. At all such hearings the attorney general of the state or one of his assistants designated by him shall sit with the board with all the powers and pay of a member thereof.

Revocation
of
certificates

Section 16. If any person shall represent himself as having received a certificate as provided in this act, or shall practise as a certified public accountant, or use the abbreviation C. P. A., or any similar words or letters to indicate that the person using the same is qualified to practise in this state as a certified public accountant, without having received such certificate as provided for by this act, or if any person having received a certificate as provided for in this act, and having thereafter lost such certificate by revocation as herein provided, shall practise as a certified public accountant, he shall be deemed guilty of a misdemeanor, and upon

Penalties

conviction thereof shall be fined not less than fifty dollars (\$50.00) and not exceeding two hundred dollars (\$200.00) for each offense.

Public
accounts

Section 17. Nothing herein contained shall be construed to restrict or limit the power or authority of any state, county, or municipal officer or appointee engaged in or upon the examination of the accounts of any public officer, his employees or appointees.

Section 18. In the opinion of the general assembly an emergency exists; therefore, this act shall take effect and be in force from and after its passage.

CONNECTICUT

CHAPTER 160 of the general statutes, revision of 1918, creating Connecticut state board of accountancy.

Be it enacted by the senate and house of representatives in general assembly convened:

Section 1. There is hereby established a state board of accountancy to consist of three members. Within thirty days after the passage of this act the governor shall appoint, as members of said board, two persons skilled in the practice of accounting and one attorney at law, one for a term ending January 1, 1908, one for a term ending January 1, 1909, and one for a term ending January 1, 1910, and thereafter, as said terms of office respectively expire, and triennially thereafter, the governor shall appoint, from the holders of the certificate hereinafter provided for in this act, one member of said board to serve for a term of three years and until his successor is appointed and qualified. The governor shall have power to fill any vacancy occurring in the membership of said board and may remove any member for cause after due notice and hearing. The members of said board, before entering upon the discharge of their duties, shall take an oath before some proper authority for the faithful performance of said duties.

State board;
terms of
office

Section 2. At the first meeting of said board, which shall be held at the capitol at Hartford, on the second Wednesday in August, 1907, and at the annual meeting, which shall be held on the second Wednesday in June in each year thereafter, the members shall elect from their number a president, a secretary, and a treasurer; the offices of secretary and treasurer may be held by the same person. Said board may adopt a seal, and may adopt such by-laws, rules and regulations for the transaction of the business of the board and the government of its affairs, not inconsistent with the laws of this state and of the United States, as it may deem expedient, and may amend, modify, or repeal any such by-law, rule or regulation. Two members shall constitute a quorum for the transaction of business, and special meetings shall be called upon request of any two members. The members of the board shall receive for their services ten dollars per day and their necessary expenses while engaged in the discharge of their official duties, such payments to be made by the treasurer of the board from the fees hereinafter provided. During the month of January of each year

Officers of
board; rules
and regula-
tions;
quorum;
compensa-
tion; funds

the treasurer shall file with the treasurer of the state an itemized account of the receipts and expenditures of the board, and shall pay to the state any unexpended balance in his hands not required for the proper transaction of the business of the board.

Examina-
tions;
require-
ments;
applications

Section 3. At a meeting of said board to be held on or before October 1, 1907, at the annual meeting hereinbefore provided for, and at such special meetings as the board shall deem necessary to hold for the purpose, public notice of which shall be given at least fifteen days prior to any such meeting in such manner as the board shall determine, said board shall examine all eligible applicants for a certificate as a certified public accountant. Every eligible applicant shall be examined in the theory of accounts, practical accounting, auditing, commercial law, and such other related subjects as the board shall deem necessary. Any person shall be eligible to take such examination who is a citizen of the United States, residing or having a place for the regular transaction of business in the state of Connecticut, who is over twenty-one years of age, of good moral character, and a graduate of a high school with a four years' course, or, in the discretion of the board, has had an equivalent education, who shall have been regularly employed as a bookkeeper for a period of not less than two years, and who shall have had such training and experience in the art of public accounting as the board, by its rules and regulations, shall prescribe. All applications for examination shall be in writing and upon such forms as the board shall provide, and shall be accompanied by a fee of twenty-five dollars, to be paid at the time the application is filed.

Who may be
certified

Section 4. Whenever any person shall have passed the examination herein prescribed, the president of the board shall certify such fact to the governor, and the governor shall thereupon sign and issue to such successful applicant a certificate prepared by the board, in which the applicant shall be given the right to be known and designated as a certified public accountant, and to use said title in full or the initials "C. P. A." as said certificate shall prescribe.

Certificates
from other
states

Section 5. Any person holding a certificate as a public accountant granted under the laws of another state, and who has had at least five years' experience as a public accountant, and who has practised in this state on his own account for one year or more, provided the state issuing such original certificate grants a similar privilege to the certified public accountants of this state, and any

person twenty-one years of age or over, of good moral character, applying for a certificate as a certified public accountant within ninety days from and after the passage of this act, and who shall, by affidavit or otherwise, show to the satisfaction of the board that he has had at least two years' instruction in the office of or by a reputable public accountant in active practice in this state, and has been engaged in the practice of public accountancy in this state for at least one year, or has had such other experience as said board shall find to be equivalent thereto, shall upon the payment to the board of a fee of ten dollars, and upon the recommendation of the board, receive from the governor the certificate as a certified public accountant provided for in this act, without an examination.

Section 6. Any person who shall advertise or issue any sign, card, or any other indication designating himself as a certified public accountant or who shall assume the title of certified public accountant, or use the abbreviation "C. P. A." or any other words, letters or figures to indicate or represent that he is a certified public accountant, without having received a certificate in accordance with the provisions of this act, or who shall issue any such sign, card, or other indication, or assume such title or abbreviation after any certificate authorizing such use by him has been revoked, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than five hundred dollars.

Section 7. This act shall take effect from its passage.

Use of title
"C. P. A.";
violations;
penalties

DELAWARE

CHAPTER 37

State board
of
accountancy

980. Section 1. A state board of accountancy is established consisting of three members to be appointed by the governor, two of whom shall be certified public accountants and the third member a practising attorney at law in Delaware, they shall hold office for the term of three years and until their successors are appointed and qualified.

Use of title
"C. P. A."
and other
designations

981. Section 2. Any person who has received from the state board of accountancy a certificate of his qualifications to practise as a public expert accountant, as hereinafter provided, shall be known and styled as a certified public accountant; no other person and no partnership, all of the members of which have not received such certificate, and no corporation shall assume such title, or the title of certified accountant, or chartered accountant, or the abbreviations C. P. A., or C. A., or any other words, letters or abbreviations tending to indicate that the person, firm or corporation so using the same is a certified public accountant.

Who may be
certified

982. Section 3. No certificate as a certified public accountant shall be granted to any person other than a citizen of the United States, residing or having a place for the regular transaction of business in the state of Delaware, who is over the age of twenty-one years and of good moral character, and, except under the provisions of section 4 of this chapter, who shall have successfully passed an examination in theory of accounts, practical accounting, auditing and commercial law as affecting accountancy, and in such other subjects as the board may deem advisable.

Examinations

All examinations provided for herein shall be in writing and shall be conducted by the said board of accountancy. The time and place of holding examinations shall be duly advertised for not less than three consecutive days, in one daily newspaper published in each of the places where the examinations are to be held, not less than thirty days prior to the date of each examination.

The examination shall take place as often as may be necessary in the opinion of the board, but not less frequently than once each year.

The board may make all needful rules and regulations regarding the conduct of the examinations, their character or scope, the method and time of filing applications for examinations, their form

and contents, and all other rules and regulations necessary to carry into effect the purpose of this chapter.

983. Section 4. The state board of accountancy may, in its discretion, waive the examination of, and issue a certificate as certified public accountant to any person possessing the qualifications mentioned in section 3 of this chapter who

(1) is the holder of a "C. P. A." certificate issued under the laws of another state, which extends similar privileges to certified public accountants of this state, provided the requirements for said degree, in the state which has granted it to the applicant, are, in the opinion of the board of accountancy, equivalent to those herein provided,

(2) shall be the holder of a degree of certified public accountant or chartered accountant, or the equivalent thereof, issued in any foreign government, provided that the requirements for such degree are equivalent to those herein provided for the degree of certified public accountant,

(3) is a resident of this state and who, for more than two consecutive years, shall have been practising in this state on his own account as a public accountant, and who shall apply in writing to the board for such certificate.

984. Section 5. The state board of accountancy may revoke any certificate issued under this chapter, or may cancel the registration of any certificate under this chapter, for unprofessional conduct or other sufficient cause, provided that written notice of the cause for such contemplated action, and the date of the hearing thereon by the board, shall have been mailed to the holder of such certificate, at least twenty days before such hearing. No certificate issued under this chapter shall be revoked until such hearing shall have been held. At all such hearings, the attorney general, or one of his deputies designated by him, shall sit with said board, with all the powers of a member thereof.

985. Section 6. The state board of accountancy shall charge for the examination and certificate provided for in this chapter a fee of twenty-five dollars to meet the expenses of such examinations. This fee shall be payable by the applicant at the time of making his initial application. No additional fee shall be charged any applicant.

From the fees collected under this chapter, the board shall pay all expenses incident to the examinations, the expenses of issuing certificates, traveling expenses of the members of the board, and

Waiver

Certificates of other states

Certificates of foreign governments

Required practice within state

Revocation of certificates

Fees

Expenses of board

their compensation while performing their duties under this chapter. No expense incurred under this chapter, nor the compensation of the members, shall be a charge against the funds of this state.

Compensa-
tion of
board

The members of the board of accountancy herein provided for shall be paid an amount not exceeding ten dollars per day, to each member of said board, for the time actually expended, and also all necessary traveling expenses, incurred in the performance of his duties under this chapter.

Reports;
surplus funds

The board shall report annually the number of certificates issued and receipts and expenses under this chapter to the governor. Any surplus then in the hands of the board, above the sum of five hundred dollars, which may be retained to meet future expenses, shall be paid at the time of filing said account, to the state treasurer, for the use of the state.

Violations
and
penalties

986. Section 7. Whoever shall represent himself to the public as having a certificate provided for in this chapter, or shall assume to practise as a certified public accountant without having received such certificate, or having received such certificate provided for in this chapter shall thereafter lose the same by revocation and shall continue to practise as a certified public accountant, or shall use such title or any other title mentioned in section 2 of this chapter, or shall violate any of the provisions of this chapter, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in a sum not less than one hundred dollars nor more than five hundred dollars, or imprisoned for a period of not less than one month nor more than six months, or both, in the discretion of the court, for each day during which he shall so practise or violate any of the provisions of this chapter.

DISTRICT OF COLUMBIA

ACT of congress creating a board of accountancy for the District of Columbia. (Approved, February 17, 1923.)

Section 1. *Be it enacted by the senate and house of representatives of the United States of America in congress assembled,* That any person who has received from the board of accountancy, hereinafter created, a certificate of his qualifications to practise as a public accountant shall be known and styled as a "certified public accountant," and no other person, and no partnership all of the members of which have not received such certificate, and no corporation shall assume such title or the title of "certified accountant" or the abbreviation "C. P. A.," or any other words, letters or abbreviations tending to indicate that the person, firm, or corporation so using the same is a certified public accountant.

Use of title
"C. P. A."

Section 2. That for the purpose of this act a public accountant is hereby defined as a person skilled in the knowledge and science of accounting, who holds himself out to the public as a practising accountant for compensation, and who maintains an office for the transaction of business as such, whose time during the regular business hours of the day is devoted to the practice of accounting as a professional public accountant.

Public
accountants

Section 3. That there is hereby created a board of accountancy in and for the District of Columbia, to consist of three members, to be appointed by the commissioners of the District of Columbia, and who, with the exception of the members first to be appointed, shall be the holders of certificates issued under the provisions of this act. The members of the board first to be appointed shall be skilled in the knowledge, science, and practice of accounting, and shall have been actively engaged as professional public accountants within the District of Columbia for a period of at least three years, and shall hold office, one for one year, one for two years, and one for three years, and until their successors are appointed and qualified. The term of each member is to be designated by the commissioners in each appointment. Their successors shall be appointed for terms of three years from the dates as aforesaid and until their successors are appointed and qualified. The commissioners may, after full hearing, remove any member of the board for neglect of duty or other just cause. The board shall organize by the election of a president and a secretary and a treasurer, and

Board of accountancy;
terms of office;
qualifications of members;
quorum

may make all rules and regulations necessary to carry into effect the purposes of this act. Any two members acting as a board shall constitute a quorum for the transaction of business.

Who may be certified

Section 4. That the board of accountancy shall not grant a certificate as a certified public accountant to any person other than (a) a citizen of the United States, or one who has duly declared his or her intention of becoming such citizen, who is over the age of twenty-one years, and (b) of good moral character, (c) who is a graduate of a high school with a four years' course or has had an equivalent education, or who, in the opinion of the board, has had sufficient commercial experience in accounting, and (d) who has received a diploma from some recognized school of accountancy and has had one year's experience in the employment of a practising certified public accountant, or has had three years' experience in the employ of a practising certified public accountant, and (e) except under the provisions of section 6 of this act, who shall have successfully passed examinations in the theory and practice of general accounting, in commercial law as affecting accountancy, and in such other related subjects as the board may deem advisable:

Waiver

provided, that the board of accountancy may waive the provision for accounting experience as set forth in clause (d) above, and in lieu thereof may hold in abeyance a certificate to any person who shall otherwise have qualified until such time as the applicant can prove to have served two years in the employ of a practising certified public accountant: provided further, that the board may waive the requirement for service in the employ of a practising certified public accountant, as set forth in clause (d) above, in the case of any person who has had not less than five years' actual and continuous experience in auditing the books and accounts of other persons in three or more distinct lines of commercial business, but nothing contained in this act shall be construed as granting any power to waive any provision of this act other than as set forth herein, nor shall any such waiver be granted except by the unanimous vote of the members of the board.

Examinations

Section 5. That all examinations provided for herein shall be conducted by the board. The examination shall take place as often as may be necessary in the opinion of the board, but not less frequently than once each year. The time and place of holding examinations shall be duly advertised for not less than three days in one daily newspaper published in the District of Columbia, beginning not less than thirty days prior to the date of each examination.

Section 6. That the board of accountancy may, in its discretion, waive the examination and issue a certificate as certified public accountant to any person possessing the qualifications mentioned in section 4 of this act who is the holder of a certificate as certified public accountant issued under the laws of any state or territory which extends similar privilege to certified public accountants of the District of Columbia, provided the requirements for such certificate in the state or territory which has granted it to the applicant are, in the opinion of the board, equivalent to those herein required; or who is the holder of a certificate as certified public accountant, or the equivalent thereof, issued in any foreign country, provided the requirements for such certificates are, in the opinion of the board, equivalent to those herein required; or who has been practising as a public accountant in the District of Columbia for more than three consecutive years next preceding the passage of this act, whose qualifications are, in the opinion of the board, equivalent to those required by section 4 of this act, and who shall apply in writing to the board for such certificate within six months after the passage of this act.

Certificates
from other
jurisdictions

Section 7. That the board of accountancy may revoke any certificate issued under this act for unprofessional conduct or other sufficient cause: provided, that notice of the cause for such contemplated action and the date of the hearing thereon by the board shall have been mailed to the holder of such certificate at his or her registered address at least twenty days before such hearing. No certificate issued under this act shall be revoked until the board shall have held such hearing, but the non-appearance of the holder of any certificate, after notice as herein provided, shall not prevent such hearing. At all such hearings the corporation counsel of the District of Columbia or one of his assistants designated by him shall appear and represent the interests of the public.

Revocation
of
certificates

Section 8. That the board of accountancy shall charge for the examinations, together with certificates to successful applicants, provided for in this act, a fee of \$25. This fee shall be payable by the applicant at the time of making his or her initial application. Should the applicant fail to pass the required examination subsequent examinations will be given the same applicant for an additional fee of \$10 for each examination. From the fees collected under this act the board shall pay all expenses incident to the examinations, the expenses of issuing certificates, and traveling expenses of the members of the board while performing their duties

Fees; ex-
penses of
board; com-
pensation

under this act; and if any surplus remain on the 30th day of June of each year the members of the board shall be paid therefrom such reasonable compensation for actual time employed as the commissioners of the District of Columbia may determine; and the remaining surplus, if any, shall be covered into the treasury of the United States to the credit of the District of Columbia: provided, that no expenses incurred under this act shall be a charge against the funds of the United States nor the District of Columbia. The board shall annually report the number of certificates issued and the receipts and expenses under this act during each fiscal year to the commissioners of the District of Columbia.

Violations
and penalties

Section 9. That if any person shall represent himself or herself to the public as having received a certificate as provided for in this act, or shall assume to practise as a certified public accountant without having received such certificate, or if any person having received such certificate, shall hereafter lose the same by revocation, as provided for in this act, and shall continue to practise as certified public accountant, or use such title or any other title mentioned in section 1 of this act, or if any such person shall violate any of the provisions of this act, such person shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding \$500, or by imprisonment not exceeding six months, or by both fine and imprisonment, in the discretion of the court.

FLORIDA

AN ACT to amend sections 2507, 2508, 2510, 2512, 2513 and 5670 of the revised general statutes of Florida, to increase the powers of the state board of accountancy and to empower the said board to promulgate and enforce rules and regulations for the practice of public accountancy in Florida; to provide, that the violation of certain rules or regulations promulgated by the said board be a misdemeanor, and to prescribe penalties therefor. (Approved June 1, 1927.)

Be it enacted by the legislature of the state of Florida:

Section 1. That section 2507 of the revised general statutes of Florida be amended to read as follows: Who may be certified

That any resident of the state of Florida, being over the age of twenty-one years, of good moral character, being a graduate of a high school with a four years' course of study, or having had an equivalent education, and who has had experience sufficient to comply with the rules of the state board of accountancy and shall have received from the state board of accountancy a certificate of his qualifications to practise as a public expert accountant, as hereinafter provided, shall be styled and known as a certified public accountant; and that no other person shall assume that designation, or use the abbreviation "C. P. A." or any words or letters to indicate that the person using the same is such certified public accountant. Provided, however, that anyone holding a certificate as a certified public accountant granted by another state may use the letters "C. P. A." if he show immediately after them the name of the state by which such certificate was issued and if he comply with the requirements of this act. For the purpose of this act a resident of Florida is defined as one who has resided in Florida for at least twelve months immediately preceding his application. Use of title
"C. P. A."

Section 2. That section 2508 of the revised general statutes of Florida shall be amended to read as follows:

The state board of accountancy shall consist of five persons appointed by the governor, each of whom must hold a certificate as a certified public accountant issued by the state board of accountancy. Three of the said five members shall be those comprising the state board of accountancy at the date of the passage of this act, each of whom shall complete his unexpired term and until their successors have been appointed. Two additional members shall be appointed by the governor immediately on the passage of State board

this act, one to serve for one year and one to serve two years, and until their successors are appointed.

Terms of office

Upon the expiration of the term of any of the members of the said board, he shall serve until his successor is appointed and each succeeding member shall serve for a term of three years.

Rules and regulations

The board shall organize by the election of the necessary officers and may make and enforce rules and regulations for carrying out the provisions and requirements of this act.

Quorum

A majority of the members shall constitute a quorum for the transaction of business.

Seal of board

The board shall adopt a seal which shall be judicially noticed. The board shall keep a record of all proceedings and actions by and before the board, and in any proceedings in court a certificate under the seal of the board shall be prima facie evidence of any action or proceeding by or before the board, stated in the said certificate.

Pay and supplies

The board shall be authorized to secure any pay for any clerical assistants or any supplies necessary to carry out the provisions of this act.

Section 3. That section 2510 of the revised general statutes of Florida be amended to read:

Fees

The state board of accountancy shall charge for the examination and certificate provided for in this chapter a fee of twenty-five (\$25.00) dollars to meet the expenses of such examination. The fee shall be payable by the applicant at the time of filing his application. The state board of accountancy shall report annually to the governor the names of all persons receiving certificates or whose certificates are registered or revoked and the receipts and expenses under this chapter. Out of the funds collected under this act as amended shall be paid the actual expenses of the state board of accountancy and an amount not exceeding ten (\$10.00) dollars a day to each member of said board for the time actually expended in the pursuance of such duties imposed by this act. Provided, that no expense incurred under this act shall be a charge upon the funds of the state.

Compensation

Section 4. That section 2512 of the revised general statutes of Florida be amended to read:

Waiver

The state board of accountancy may, in its discretion, waive the examination of any person possessing the qualifications mentioned in section 1 of this act whose record and professional standing are satisfactory to the said board, who shall have practised public

accounting for five years preceding the passage of this act of which the three years immediately preceding that date shall have been in Florida, and who shall apply in writing to the said board for such certificate before December 31st, 1927. Each such applicant shall pay a minimum fee of twenty-five dollars.

The board may in its discretion grant a certificate as a certified public accountant to such applicant as is engaged in the internal revenue service of the United States who has passed grade number eleven as now established in that service and if he complies with the other requirements of this act, and who is a resident of Florida as defined in section 1, at the date of passage of this act.

Internal
revenue
agents

Section 5. That section 2513 of the revised general statutes of Florida be amended to read as follows:

The state board of accountancy by majority vote thereof shall permanently revoke or temporarily suspend the effect of a certificate of any certified public accountant or the certificate of authority of any public accountant who has been convicted of a felony by the courts of this state, or has been guilty of any fraud or deceit in obtaining such certificate, or who has been guilty of negligence or wrongful conduct in the practice of professional accountancy. The board may promulgate and may amend from time to time canons of professional ethics, and may temporarily suspend, for a period not exceeding two years, the effect of the certificate of any certified public accountant or the certificate of authority of any public accountant who violates such canons of professional ethics, this power of suspension being in addition to, and not in limitation of, the power to revoke or suspend, heretofore provided in this section. Notice of the cause for such contemplated action and the date of hearing thereon by the board shall be served upon the holder of such certificate, at least twenty days before said hearing. No certificate issued under this act shall be revoked, or the effect thereof suspended, until the board shall have had such hearing, but the non-appearance of the holder of any certificate, after notice as herein provided, shall not prevent such hearing. The board shall employ its own counsel, and the certificate holder shall also have the right to be represented by counsel. By majority vote the board may re-issue the certificate of any certified public accountant whose certificate shall have been revoked, and may modify the effect of the suspension of any certificate which has been suspended. Any person not a citizen of the United States, when he or she received a certificate issued under this act, shall have such certifi-

Revocation
of
certificates

Suspension

cate revoked, unless within six years from the receipt thereof, he or she shall become a citizen of the United States.

Section 6. That section 5670 of the revised general statutes of Florida be amended to read as follows:

Violations
and penalties

If any person shall represent himself to the public as having received a certificate from the state board of accountancy to practise as a certified public accountant, or use the abbreviation "C. P. A." or any similar words or letters to indicate that the person using the same is a certified public accountant, or if any person or firm shall practise as a public accountant, without holding a valid certificate of authority to practise issued under the provisions of law, he shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined a sum not exceeding five hundred dollars for each conviction, or shall be imprisoned not exceeding six months. In every case of conviction, under this section, whether by plea of guilty or otherwise, the cost of prosecution shall be taxed against the defendant. No corporation may practise in the state of Florida as a certified public accountant or as public accountant or as public accountants, nor describe themselves as certified public accountants or public accountants.

Practitioners
of public
accounting

The display of a card, sign, advertisement, or the issuance of a letterhead, bearing a person's name as a practitioner of public accounting, as described in section 7, shall be presumptive evidence by implication in any hearing or prosecution against such person, that the person whose name is so carried thereon is responsible for the same, and that he or she is announcing himself or herself thereby to practise public accounting. In any hearing or prosecution under this act, the proof of a single act prohibited by law shall be sufficient without proving a general course of conduct.

"Public
accountants"

Section 7. When used in this act, the term "public accountant" is one who without a certificate as a certified public accountant from the state board of accountancy holds himself out to the public as practising accountancy, or who maintains an office for the transaction of business as an accountant, or who prepares, or offers to prepare, for clients any reports of audits or any other financial statement. When used in this act the term "certified public accountant" is one who holds a certificate from the state board of accountancy.

Certificates
for public
accountants

Section 8. The board may issue a certificate of authority to practise as a public accountant to each applicant before January 1st, nineteen hundred twenty-eight, who furnished satisfactory evidence that he or she was maintaining an office in the state for the

practice of public accounting on his or her own account, at the date of the passage of this act, or that he or she has been in responsible charge of accounting engagements as an employed member of the staff of a certified public accountant, or of a public accountant, or of a firm of public accountants.

The board shall require the same information from each applicant for a certificate of authority as it requires from an applicant for a certificate as a certified public accountant. Applicants for certificates of authority shall comply with the requirements of this act and the rules of the board in so far as they are applicable. No certificate of authority shall be granted after December 31st, 1927. Certificates of authority confer the legal right to practise as a public accountant, but do not confer any added designation.

Requirements of public accountants

Section 9. The board shall, in December of each year, issue a registration card to any holder of C. P. A. certificate, or to any holder of a certificate of authority, who has complied with the requirements of this act, which card shall be good until December 31st of the next succeeding year, charging therefor a fee of ten dollars per year. A registration card shall also be issued to any individual or firm which has complied with the provisions of sections one or two of this act, for which a fee of ten dollars shall be charged. Interim registrations shall be issued to individuals and firms who have complied with the provisions of this act within the year. Failure to secure a registration card in any year shall not disqualify the holder of a certificate from securing a card for a future year, if the certificate holder decides to return to the practice of public accounting; and shall not operate to revoke a C. P. A. certificate or certificate of authority once issued, but shall remove the holder thereof from those registered and authorized to practise during the year. When registration cards are secured after December 31st of each year, such individuals shall not be subject to the penalty prescribed in section 6, provided the cards were secured prior to charges having been preferred against such individuals, that they were practising unlawfully.

Registration cards

Section 10. The state board of accountancy herein provided for may in its discretion establish such rules and regulations as to the publication of lists of certified public accountants and public accountants residing and doing business in the state of Florida holding certificates provided for hereunder, as may be in their judgment for the best interests of the profession of public accountancy as practised in the state of Florida hereunder, and may

Lists of accountants

Certificates
from other
states

provide for the expense necessary to the registration and publication of such lists. And no person may legally practise the profession of certified public accountant or public accountant in the state of Florida who has not secured proper certificate provided for in this act, except that temporary card may be issued by the board to any certified public accountant holding certificates from another state desiring to work temporarily in Florida. Anyone violating this provision shall be held guilty of a misdemeanor and shall be subject to the penalties described in section 6 of this act.

Registration

Section 11. All persons practising individually or under an assumed name, and all firms engaged in public accounting in the state of Florida, as defined in this act, at the date of the passage of this act, and intending to continue so to practise, must register with the board before October 1, nineteen hundred twenty-seven, giving the names and addresses of every person practising as principal or under such assumed name, the names and addresses of every member of the firm together with the names and addresses of all persons in their employ in the state at that date who hold C. P. A. certificates. A charge of ten dollars shall be made for this registration.

Rules of
professional
conduct

Section 12. The state board of public accountancy hereby provided for shall prescribe such standards of professional conduct and such reasonable rules defining ethical practice of profession of public accountancy as they may in their judgment deem to be for the best interests of said profession, and shall provide for the printing and publication of such rules to be used in connection with blank applications for examination provided herein and such proper affirmation or oath in connection therewith as shall in their judgment properly provide for ethical conduct by applicants for examination.

Claims for
service fees

Section 13. In any receivership, trusteeship or composition of creditors, operating under the authority of the courts of Florida, a public accountant, certified public accountant, or firm of either class, shall have a preferred claim for his, her or its fees for services rendered the person or firm, which is the subject of the receivership, trusteeship or composition during the period of ninety days immediately prior to the date of the commencement of such receivership, trusteeship or composition.

False
statements

Section 14. If any person acting in the capacity of an accountant shall willfully make any false or misleading statement in writing in regard to any financial transaction or account, such person shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not exceeding \$500.00 or

by imprisonment not exceeding six months or by both fine and imprisonment in the discretion of the court.

Section 15. All statements, records, schedules and memoranda made by a public accountant or a certified public accountant, or by an employee or employees of a public accountant or certified public accountant, incident to or in the course of professional service to clients by such public accountant or certified public accountant, except reports submitted by a public accountant or certified public accountant to a client, shall be and remain the property of such public accountant or certified public accountant in the absence of an express agreement between the public accountant or certified public accountant and the client to the contrary.

Ownership
of
accountant's
papers

Section 16. No person, partnership or firm may temporarily practise as a public accountant in this state, unless he or it has obtained from the state board of accountancy a license to do so, for which the fee shall be ten dollars. Such licenses may be granted at the discretion of the said board only to persons or to partnerships or firms, the members of which hold certified public accountants' certificates issued under the laws of another state, or a certificate as a chartered accountant issued in a foreign country, and shall be valid for ninety days only after the date of its issue and shall be granted only for specific engagements secured by the applicant therefor outside the state of Florida.

Licenses

Section 17. In the courts of the state of Florida, no certified public accountant or public accountant shall be permitted to disclose information obtained in the conduct of any examination, audit or other investigation, made in a professional capacity, or which may have been disclosed to such accountant by a client, without the consent in writing of such client or his, her or its successors or legal representatives.

Confidential
communica-
tions

Section 18. The holder of a valid certificate granted by this state, who is duly registered with the state board of accountancy as herein provided, shall be exempt from jury duty.

Jury duty

Section 19. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application thereof to other persons or circumstances shall not be affected thereby.

Invalidations

Section 20. All acts or parts of acts in any wise inconsistent herewith are hereby repealed.

Repeals

Section 21. This act shall become effective thirty days after becoming a law.

GEORGIA

AN ACT to establish a board for the examination of accountants, to provide for the granting of certificates to accountants and to provide a punishment for the violation of this act. (Approved, August 17, 1908.)

Use of title
C. P. A.

Section 1. *Be it enacted by the senate and house of representatives of the commonwealth of Georgia in general assembly met and it is hereby enacted by the authority of the same,* that any citizen of the United States residing and having an office for the regular transaction of business in the state of Georgia being over the age of twenty-one years and of good moral character and who shall have received from the governor of the state of Georgia a certificate of his qualification to practise as a public expert accountant as hereinafter provided, shall be designated and known as a certified public accountant, and no other person shall assume such title or use the abbreviation C. P. A., or any other words, letters or figures to indicate that the person using the same is such certified public accountant. Every person holding such certificate, and every co-partnership of accountants, every member of which shall hold such certificate may assume and use the title of certified public accountants or the abbreviation thereof, C. P. A., provided that no other person or co-partnership shall use such title or abbreviation, or other words, letters or figures to indicate that the person or co-partnership using the same is such certified public accountant.

State board

Section 2. The governor of the state of Georgia shall appoint a board of three examiners for the examination of persons applying for certification under this act. Two of said examiners shall be public accountants who shall have been in practice for at least five years, one of whom shall be appointed for the term of two years, and one for the term of three years, and upon the expiration of each of said terms an examiner shall be appointed for the term of three years, and after the year one thousand nine hundred and eight, these two examiners shall be certified public accountants. The other examiner shall be a practising attorney in good standing in any of the courts in the state of Georgia, who shall be appointed for the term of two years, and upon the expiration of said term a successor shall be appointed for the term of three years. The examination for certificates shall be based upon an examination in theory of accounts, practical accounting, auditing, commercial arithmetic and commercial law. Said examination shall take

Examinations

place twice a year in the city of Atlanta, during the months of May and November of each year under such rules and regulations as may be adopted by the board. The fees provided by the act shall be twenty-five dollars for each applicant, from which shall be paid the expenses incident to each examination, including stationery, clerk hire, and traveling expenses of the examining board. The results of such examinations shall be certified to the governor, and filed in the office of the secretary of state and kept for reference and inspection for a period of not less than five years, and the governor to issue the certificate.

Fees

Certificates

Section 3. The governor of the state of Georgia may revoke any such certificate for sufficient cause upon the recommendation of the board of examiners, who shall give written notice to the holder thereof, and after he has had a hearing thereon.

Revocation
of
certificates

Section 4. The board of examiners may in its discretion waive the examination of any person who shall have been for three years immediately preceding the passage of this act practising in the state of Georgia or a sister state as a public accountant, and who shall apply in writing for such certificate within three months after the passage of this act.

Waiver

Section 5. If any person shall hold himself out as having received the certificate provided for in this act or shall assume to practise thereunder as a certified public accountant or use the initials C. P. A. without having received such certificate, or after the same shall have been revoked, he shall be deemed guilty of misdemeanor, and upon conviction thereof shall be sentenced to pay a fine not exceeding five hundred dollars nor less than two hundred dollars.

Violation
and penalties

HAWAII

Chapter 210, Revised Laws, 1925.

Board of
accountancy;
qualifications

Section 3668. The governor shall appoint, as the territorial board of accountancy, not less than three nor more than five public accountants of recognized standing, each of whom shall have been actively engaged in practice for not less than three consecutive years immediately preceding the date of appointment, and each of whom shall possess all other qualifications provided for in section 3676. All appointees shall be certified public accountants.

"Public
accountant";
meaning of
term

Section 3669. For the purpose of this chapter, a public accountant is defined as a person skilled in the knowledge and science of accounting, who holds himself out to the public as a practising accountant for compensation, and who maintains an office for the transaction of business as such, whose time during the regular business hours of the day is devoted to the practice of accounting as a professional public accountant.

Tenure of
members

Section 3670. The members of the board shall hold office for three (or five) years or until their successors are appointed and have qualified, except that of the members first appointed under this chapter, one shall hold office for one year, one for two years, one for three years (one for four years and one for five years). The term of office for each shall be designated at time of his appointment. Thereafter one member shall be appointed annually for the full term.

Organization

Section 3671. The board shall organize by the election of one of its members as president, one member as secretary and one member as treasurer; provided, however, that the office of secretary and treasurer may be held by one person.

Records;
reports

Section 3672. The board shall keep a complete record of all its proceedings and shall present annually to the governor a detailed statement of the receipts and disbursements of the board during the preceding year, with a statement of its acts and proceedings and such recommendations as the board may deem proper.

Powers

Section 3673. The board shall be authorized:

(a) to administer oaths to all applicants or persons appearing

before the board in respect to investigation, examination or the issue of C. P. A. certificates;

(b) to conduct investigations and examinations and issue certificates to properly qualified applicants;

(c) to determine the qualifications of all applicants;

(d) to establish such rules and regulations as may be requisite properly to carry out the purposes of this chapter and maintain a high standard of integrity, education and proficiency among the holders of C. P. A. certificates.

Section 3674. Written examinations of applicants shall be held as often as may be necessary in the opinion of the board, and at such times and places as it may designate, but not less than one in each calendar year. If five or more persons apply for examination within not less than four months after the annual examination, the board shall hold an examination for the applicants. Examinations may be both oral and written, at the discretion of the board.

Examinations

Section 3675. (a) The written and oral examination of applicants shall be that prescribed by the American Institute of Accountants in the rules of the board of examiners of that institute, approved June 13, 1922, or, as may be altered from time to time by the council of the American Institute of Accountants.

(b) The board appointed in section 3668 shall make the necessary arrangements with the council of the American Institute of Accountants to grade the answers of the candidates.

(c) The grading of the answers of the candidates shall be submitted to the territorial board of accountancy, appointed according to section 3668, for approval.

Section 3676. Any citizen of the United States, or one who in good faith has declared his intention of becoming a citizen (in which case he must become a citizen within two years after the time allowed by law or the certificate shall be revoked by the board), over the age of twenty-one years, of good moral character, a graduate of a high school of recognized standing with a four years' course, or possessing an education fully equivalent thereto, who has had at least five years' accounting experience, three of which shall have been in public practice on his own account or in the office of a public accountant in active practice, or its equivalent, and has passed a satisfactory examination (unless otherwise exempt from the examination as herein provided), shall receive a certificate of his qualifications to practise as a professional public accountant.

Qualifications of C. P. A.

No other person and no corporation shall assume or use the title, or the abbreviation C. P. A., or any other words, letters or figures, to indicate that the person is a certified public accountant.

Waiver

Section 3677. The board shall, upon application in writing, waive the examination of and issue a certificate to any person of good moral character over the age of twenty-one years, who, at the time of filing application for said certificate, is a citizen of the United States, or who, in good faith, has declared his intention of becoming a citizen, and who has resided within the territory of Hawaii for at least twelve months next preceding said application, and who has the degree of certified public accountant or chartered accountant evidenced by a certificate issued by or under the authority of another territory or state or foreign nation; provided, that such certificate was issued with the approval of the state board of accountancy or examiners of the territory or state or foreign nation issuing same; and, provided, further, that the standards prescribed by law or by the rules of the board and the examinations conducted are fully equivalent to the standards maintained in this territory. If, for any reason, the certificate of original issue be revoked or cancelled, the board of accountancy of the territory of Hawaii shall forthwith revoke and cancel the certificate issued to such person in accordance with this act.

**Revocation
of
certificate**

Section 3678. The board shall have the power to revoke any certificate

- (a) if the holder thereof shall have been convicted of a felony;
- (b) shall be found guilty of conduct involving moral turpitude;
- (c) shall certify to false or fraudulent statement or statements;
- (d) for fraud or misrepresentation in application for certificate or in the examination therefor;
- (e) for failure on the part of applicant who at the time of issue of certificate is not a citizen of the United States to qualify in accordance with the provisions of section 3676.

No certificate shall be revoked except after a hearing thereon, at which hearing at least a majority of the board shall be present. The attorney general or an attorney designated by him shall attend and act as the legal advisor of the board. Written notice of the proposed hearing shall be mailed to the holder of the certificate at his last known address at least twenty days before the date thereof, stating the basis or cause for the proposed action or revocation, and appointing a time and place for the hearing. At the hearing the board shall have the power to compel the attendance of

witnesses, to administer oaths and to examine witnesses under oath. The board shall keep a complete record of all proceedings with respect to the revocation of any certificate.

Section 3679. (a) The board shall have the right to fix the amounts to be charged applicants. **Examination fees**

(b) Each applicant for examination and certificate shall pay in full to the board the fee at the time of filing his application. In no case shall the fee be returned. If the applicant fails to pass the examination he shall be entitled to take another examination within one year at any time at which there are other applicants to be examined.

Section 3680. The members of the board to be appointed under the provisions of this chapter shall be paid for the time actually expended in the pursuance of the duties imposed upon them by this chapter an amount not exceeding five dollars per diem, and they shall also be entitled to necessary traveling expenses. **Expenses of members**

Section 3681. From the fees collected the board shall pay all expenses incident to the examinations to be held under this chapter, the expenses of preparing and issuing certificates, the traveling expenses of examiners and their compensation while performing their duties under this chapter, stationery, printing, clerk hire and incidental office expenses, provided that no expense incurred, under this chapter shall be a charge against the funds of the territory. **Disposition of fees**

Section 3682. (a) If any person shall illegally hold himself out as having received the certificate of certified public accountant, or shall assume to practise thereunder as a certified public accountant, or use the initials C. P. A. or any other words, letters or figures without having received such certificate, or after the same shall have been revoked, on conviction thereof he shall be deemed guilty of a misdemeanor, and shall be fined not less than twenty-five dollars nor more than two hundred dollars or be imprisoned in the county jail for not less than one day nor more than one year or both, in the discretion of the court, for each day during which he shall so practise or violate any of the provisions of this chapter. **Violations; penalties**

(b) Should any person holding the degree of certified public accountant be convicted of gross negligence or of wilfully falsifying a report, he shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not less than one hundred dollars nor more than one thousand dollars, or be imprisoned in the county jail for not less than thirty days nor more than one year or both, in the discretion of the court, for each offense.

IDAHO

SECTIONS 332-340 and 2218-21—1919 Idaho compiled statutes as amended by chapters 31, 45; 198 and 211, 1921 session laws; chapter 152, 1923 session laws; chapters 32 and 188, 1925 session laws; chapter 243, 1927 session laws; chapter 67, 1929 session laws.

Powers and
duties

Section 332. The department of law enforcement shall have power: To exercise the rights, powers and duties vested by law in the state board of accountancy.

Registration
of
occupations

Section 333. The department of law enforcement shall, wherever the several laws regulating professions, trades and occupations which are devolved upon the department for administration so require, exercise, in its name, but subject to the provisions of this chapter, the following powers:

(1) To conduct examinations to ascertain the qualifications and fitness of applicants to exercise the profession, trade or occupation for which an examination is held; to pass upon the qualifications of applicants for reciprocal licenses, certificates and authorities.

(2) To prescribe rules and regulations for a fair and wholly impartial method of examination of candidates to exercise the respective professions, trades or occupations.

(3) To prescribe rules and regulations defining, for the respective professions, trades and occupations, what shall constitute a school, college or university, or department of a university, or other institution, reputable and in good standing and to determine the reputability and good standing of a school, college or university, or department of a university, or other institution, by reference to a compliance with such rules and regulations.

(4) To establish a standard of preliminary education deemed requisite to admission to a school, college or university, and to require satisfactory proof of the enforcement of such standard by schools, colleges and universities.

(5) To conduct hearings on proceedings to revoke or refuse renewal of licenses, certificates or authorities of persons exercising the respective professions, trades or occupations, and to revoke or refuse to renew such licenses, certificates or authorities.

(6) To formulate rules and regulations when required in any act to be administered.

Registration
of
occupations;
examiners

Section 334. None of the above enumerated functions and duties shall be exercised by the department of law enforcement,

except upon the action and report in writing of persons designated from time to time by the commissioner of law enforcement to take such action and to make such report, for the respective professions, trades and occupations as follows:

Section 334-I. For the accountants three persons, each of whom shall be a certified public accountant.

Section 334-L. The action or report in writing of a majority of persons designated for any given trade, occupation or profession, shall be sufficient authority upon which the commissioner of law enforcement may act.

Examiners' report

Section 334-M. In making the designation of persons to act for the several professions, trades and occupations the commissioner shall give due consideration to recommendation by members of the respective professions, trades and occupations and by organizations therein.

Examiners; recommendation of professional societies

Section 335. Whenever the commissioner is satisfied that substantial justice has not been done either in an examination or in the revocation of or refusal to renew a license, certificate or authority he may order re-examination or hearings by the same or other examiners.

Re-examinations

Section 336. All certificates, licenses and authorities shall be issued by the department of law enforcement in the name of such department, with the seal thereof attached. Provided that if any certificate, license or authority issued by such department shall be lost or destroyed, the department is hereby authorized on application of the owner thereof, to issue a certified copy or a duplicate under the seal of such department; the applicant asking for such duplicate or certified copy shall accompany the application with an affidavit setting forth the facts showing that the original has been lost or destroyed; that for such certified copy or duplicate, the department shall charge a fee of \$3.00, which fee shall be by the department handled as other fees collected for licenses.

Certificates

Section 337. All persons required to procure licenses from the department of law enforcement as a prerequisite for engaging in a trade, occupation or profession must annually renew the same on July 1 of each year. In case of failure so to renew a license, the department shall cancel the same, October 1, following the date of delinquency; provided, however, that the department may reinstate any license canceled for failure to renew the same on payment of \$10, together with all fees delinquent at the time of cancellation and

Renewal of license

the renewal fee for each year thereafter up to the time of reinstatement. Provided further, that where a license has been canceled for a period of more than five years, the person so affected shall be required to make application to the department of law enforcement, using the same forms and furnishing the same information as required of a person originally applying for a license, and pay the same fee that is required of a person taking the examination in the particular profession in which said person holds a canceled Idaho license. Said applicant shall appear in person before the department of law enforcement at any regular or special meeting for an examination, the nature of which shall be determined by the department. If after an examination the department is of the opinion that the person examined is the bona fide holder of canceled license, is of good moral character, and is found capable of again practising in this state the profession for which the original or canceled license was granted, the license shall be reinstated and the holder thereof entitled to practise subject to the laws of this state.

Renewal fee

Section 338. The licentiate shall pay to the department of law enforcement annually a renewal fee of \$2.

Disposition of fees

Section 339. All fees and renewal fees received by the department of law enforcement for licenses to engage in trades, occupations or professions shall be deposited in the state treasury to the credit of the general fund.

Recording of licenses

Section 339-A. Every license that may hereafter be issued by the department of law enforcement as a prerequisite to engage in a trade, occupation or profession shall be recorded in the office of the department, which shall relieve the licensee from being required to record the same in the office of the county recorder in the county in which the licensee intends to practise. No fee shall be charged for the recording of the license by the department.

Re-examination and certificate fees

Section 339-B. Should an applicant who is required to procure a license from the department of law enforcement as a prerequisite for engaging in a trade, occupation or profession fail to pass the required examination the applicant may be re-examined at any regular or special meeting of the department acting as such board of examiners, upon the payment of \$10.00 re-examination fee.

Every person who is licensed by the department of law enforcement as a prerequisite to engage in a trade, occupation or profession may, upon the payment of a \$1.00 fee, receive a certificate setting forth that the holder thereof is duly registered and licensed to practise his profession in the state of Idaho.

Section 340. The commissioner of law enforcement and persons deputized by him as state policemen are peace officers authorized to exercise within any county the same powers as the sheriff thereof. **Officers have powers of peace officers**

Section 2218. (Parts of this section not included where it is repeated under or conflicts with sections 332-339). The powers and duties of the department of law enforcement shall be:

To hold written examination of applicants for such certificates at least semi-annually, at such places as circumstances and applications may warrant. Proper notice of time and place for such examinations shall be published at least 30 days prior to the time of holding same.

To grant certificates of qualification to practise as certified public accountants to such applicants as may upon examination be found qualified in theory of accounts, practical accounting, auditing, and commercial law, as applied to accounting.

To charge and collect from all applicants a fee, not exceeding \$25.

Section 2219. An applicant for certificate under this chapter shall be a citizen of the United States, or a person who has declared his intention of becoming such citizen, residing and doing business in the state of Idaho, over the age of 21 years, and of good moral character. He shall have a high school education, or an education which, in the judgment of the department of law enforcement, is equivalent to that of a high school graduate; and shall have had at least three years of practical experience in accounting, the last year of which shall have been in the state of Idaho. An applicant having passed the examination before the department of law enforcement, under its rules, with an average grade of not less than 75 per cent on each subject, shall be entitled to have issued to him a certificate of qualification to practise as a certified public accountant; and upon issuance and receipt of such certificate and during the period of its existence he shall be styled and known as a certified public accountant; and no other persons shall be permitted to assume and use such title, or to use any words, letters or figures to indicate that the person using the same is a certified public accountant. **Certified public accountants**

Section 2220. A holder of a certificate as a certified public accountant from any other state shall be entitled to practise in this state without examination, provided the standard of the state issuing such certificate shall be as high in the estimation of the department as the standard of this state, and a state issuing such **Accountant certified in other states**

certificate be one which reciprocates by recognizing certificates from this state.

Penalty for
violation

Section 2221. Any person violating the provisions of this chapter shall be deemed guilty of a misdemeanor, and upon conviction thereof before any court of competent jurisdiction shall be punished by a fine in any sum not exceeding \$100.

ILLINOIS

AN ACT to regulate the profession of public accountants. (Approved May 15, 1903; amended May 25, 1907.)

Be it enacted by the people of the state of Illinois, represented in the general assembly: That section one of an act entitled "An act to regulate the profession of public accountants" approved May 15, 1903, in force July 1, 1903, be amended to read as follows:

Section 1. That any citizen of the United States, or person who has duly declared his intention of becoming such citizen, residing in or having a place for the regular transaction of business as a professional accountant in the state of Illinois, being over the age of twenty-one years, of good moral character, being a graduate of a high school with a four-year course, or having an equivalent education, and who shall have received from the university of Illinois a certificate of his qualifications to practise as a public expert accountant as hereinafter provided, shall be styled and known as a "certified public accountant," and no other person shall assume such title or use the abbreviation "C. P. A.," or any words or letters to indicate that the person using the same is a certified public accountant. Provided, that the annual examinations in the months of May, 1908, and May, 1909, as fixed by the rules of the university shall be open to all applicants without regard to preliminary educational requirements.

Who may become certified public accountants

Section 2. The university of Illinois shall determine the qualifications of persons applying for certificates under this act, and shall make rules for the examination of the same, and for this latter purpose shall appoint three examiners, at least two of whom shall be skilled in the practice of accounting and actively engaged therein in the state of Illinois, and the third shall be either an accountant of the grade herein described or an attorney skilled in commercial law.

University of Illinois to determine qualifications; make rules; appoint examiners

The time and place of holding the examinations shall be duly advertised, for not less than three consecutive days, in one daily newspaper published in each of the places where the examinations are to be held, not less than thirty days prior to the date of each examination.

Advertisement of examinations

Subjects of
examination

The examination shall be in theory of accounts, practical accounting, auditing, and commercial law as affecting accountancy.

Frequency of
examinations

The examination shall take place as often as may be necessary in the opinion of the university, but not less frequently than once a year.

When
examinations
may be
waived

Section 3. The university of Illinois may, in its discretion, under regulations provided by its rules, waive all or any part of the examination of any applicant possessing the qualifications mentioned in section 1, who shall have had five successive years' experience as a public accountant previous to the date of application, who shall apply in writing within one year after the passage of this act, and who shall have been practising in this state as a public accountant, on his own account, for a period of not less than one year next prior to the passage of this act; also to any person who shall have been actively in practice as a public accountant for not less than five years next prior to the passage of this act, outside of the state of Illinois, who shall have passed an examination equivalent, in the opinion of the university of Illinois, to the examination to be held under the provisions of this act.

Fee; pay of
examiners;
expenses

Section 4. (a) The university shall charge for the examination and certificate a fee of twenty-five dollars (\$25) to meet the expenses of such examinations. This fee shall be payable by the applicant at the time of filing his application.

(b) The examiners appointed by the university of Illinois shall be paid for the purposes of this act, for the time actually expended in pursuance of the duties imposed upon them by this act, an amount not exceeding ten dollars (\$10) per day, and they shall be further entitled to their necessary traveling expenses. All expenses provided for by this act must be paid from the receipts under this act, and no expense incurred under this act shall be charged against the funds of the university.

(c) From the fees collected under section 4, the university of Illinois shall pay all the expenses incident to the examination held under this act, the expenses of issuing certificates, the traveling expenses of the examiners, and their compensation while performing their duties under this act.

Revoking
certificate

Section 5. The university may revoke any certificate issued under the provisions of this act, for unprofessional conduct or other sufficient cause, provided that written notice shall have been previously mailed to the holder of such certificate twenty days

before any hearing thereon, stating the cause for such contemplated action, and appointing a date for a full hearing thereof by the university; and provided, further, that no certificate shall be revoked until a hearing shall have been had.

Section 6. If any person shall represent himself to the public as having received a certificate as provided in this act, or shall assume to practise as a certified public accountant, or use the abbreviation C. P. A., or any similar words or letters to indicate that the person using the same is a certified public accountant, without having received such certificate; or if any person having received a certificate as provided in this act, and having thereafter lost such certificate by revocation as herein provided, shall continue to practise as a certified public accountant, he shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be fined a sum not exceeding two hundred dollars (\$200) for each offense; provided, that nothing herein contained shall operate to prevent a certified public accountant who is the lawful holder of a certificate issued in compliance with the laws of another state from practising as such within this state, and styling himself a certified public accountant.

Penalty for
falsely
assuming
to be a
certified
public
accountant

HOUSE BILL No. 552—1927

AN ACT to afford protection to the public by prescribing and regulating the practice of public accounting by registration.

Section 1. *Be it enacted by the people of the state of Illinois, represented in the general assembly:*

That for the purposes of this act a public accountant is one who serves or offers to serve the public generally in:

Title public
accountant
defined

(1) Performing audits or preparing financial statements for municipal corporations, public utilities, banks, building and loan associations, trust estates (except when employed by the cestui que trust), insurance companies, and charitable organizations which receive and dispense funds donated by the public.

(2) Preparing or vouching for the accuracy of financial statements of any business, knowing that such statements are to be used, (a) for the information of stockholders, or inactive or silent partners in such business, (b) as an inducement to any person to invest in or extend credit to such business, or (c) for filing in the office of the secretary of state under the provisions of "The Illinois securities law."

Certificate of
registration

Section 2. It is unlawful for any person after the first day of October, 1927, to perform or offer to perform for the public generally any of the services described in section 1 of this act, except as provided in section 10, without a certificate of registration as a public accountant from the department of registration and education.

Section 3. Nothing in this act shall prevent any person from performing any of the acts described in section 1 who does not perform or offer to perform such acts for the public generally.

Employees of
public ac-
countants

Section 4. The provisions of this act are not intended to prevent the employment by a public accountant of any person for service along the lines described in section 1 so long as he works under the adequate control and supervision of a public accountant authorized to render such service and so long as such employee does not personally certify to the accuracy of such service.

Applicants for
certificates of
registration

Section 5. A person who desires to receive a certificate of registration as a public accountant shall make application to the department of registration and education, for examination, and shall pay the required fee.

Examinations
as public ac-
countants

Section 6. The department of registration and education shall hold examinations for applicants in May and November of each year at such places as it may determine.

The examinations shall constitute a fair test of the qualifications of applicants to practise as public accountants, including their knowledge of accounting, auditing, and law in so far as it affects accountancy.

An applicant who fails to pass a satisfactory examination on any of the subjects shall be re-examined, without charge, on such subjects, at any subsequent examination within two years.

Require-
ments for ex-
amination as
public ac-
countants

Section 7. Applicants for examination as public accountants shall:

- (1) be citizens of the United States or have legally declared their intention of becoming citizens, and
- (2) be residents of this state, or have a place for the regular transaction of business within this state, and
- (3) be over the age of twenty-one years, and
- (4) be of good moral character, and
- (5) have three years experience in public accounting, and
- (6) have graduated from a high school or a secondary school approved by the department of registration and education or have completed an equivalent course of study as determined by an

examination conducted by the department of registration and education.

Section 8. Upon passing a satisfactory examination and payment of the required fee, the department of registration and education shall issue to the applicant a certificate of registration as a public accountant.

Certificate of registration as public accountant

Section 9. Upon payment of the required fee an applicant who is a public accountant, registered or licensed or otherwise legally recognized as a public accountant under the laws of another state or territory of the United States or of a foreign country or province, may, without examination, be granted a certificate of registration as a public accountant by the department of registration and education, in its discretion, upon the following conditions:

Registration of public accountants of other states, etc.

(1) that the requirements for the registration or licensing or other legal recognition of public accountants in the particular state, territory, country or province, were, at the date of the license or certificate, substantially equal to the requirements then in force in this state; and

(2) that the particular state, territory, country or province extends a similar privilege to the persons registered under this act.

Section 10. Upon payment of the required fee, the department of registration and education shall grant without examination:

Waiver

(1) a certificate of registration as a public accountant to any resident of this state, or to anyone who has a place for the regular transaction of business as a public accountant within this state, and who shall apply therefor in writing to the department of registration and education before the first day of October, 1927, and who satisfies the department of registration and education that he is of good moral character, who:

(a) has received a certificate as a public expert accountant from the university of Illinois under "An act to regulate the profession of public accountants," approved May 15, 1903, as amended, or who

(b) for a period of not less than one year immediately preceding the taking effect of this act has been continuously and actively engaged at an established place of business in practice as a public accountant, either as an individual on his own account or as an active member of a partnership or firm or as an officer of a corporation.

(2) a certificate of authority to practise as a public accountant to:

(a) any partnership which makes application therefor in writing

and all of the members of which hold certificates of registration as public accountants issued by the department of registration and education under the provisions of this act; or

(b) any corporation which is authorized by its charter issued prior to the taking effect of this act to practise public accounting in this state, all officers of which hold certificates of registration as public accountants issued by the department of registration and education under the provisions of this act, and which makes application therefor in writing before the first day of October, 1927.

Renewal of
certificates of
registration

Section 11. Every public accountant who continues in active practice shall annually, during the month of April, renew his certificate of registration, and pay the required renewal fee. Every certificate of registration, which is not so renewed, shall expire on the first day of May of that year. After a certificate has expired, it may be restored only upon payment of the required restoration fee.

Any public accountant who retires from the practice of public accountancy for not more than five years may renew his certificate of registration upon payment of all lapsed renewal fees.

Revocation of
certificates of
registration

Section 12. The department of registration and education may either refuse to issue, or may refuse to renew, or may suspend, or may revoke any certificate of registration for any one or any combination of the following causes:

(a) conviction of a felony, as shown by a certified copy of the record of conviction;

(b) conviction of any crime, an essential element of which is dishonesty or fraud;

(c) proof of knowingly certifying to any false or fraudulent report, certificate, exhibit, schedule or statement;

(d) proof of gross carelessness or incompetence in performing services described in section 1.

The department of registration and education may neither refuse to issue, nor refuse to renew, nor suspend, nor revoke any certificate of registration, however, for any of these causes, unless the person accused has been given at least twenty days' notice in writing of the charge against him and a public hearing by the department of registration and education.

Upon the hearing of any such proceeding, the director of registration and education, the assistant director of registration and education, and/or the superintendent of registration may administer oaths and the department of registration and education

may procure, by its subpoena, the attendance of witnesses and the production of relevant books and papers.

Any circuit court or any judge of a circuit court, either in term time or in vacation, upon application either of the accused or of the department of registration and education may, by order duly entered, require the attendance of witnesses and the production of relevant books and papers before the department of registration and education in any hearing relating to the refusal, suspension or revocation of certificate of registration. Upon refusal or neglect to obey the order of the court or judge, the court or judge may compel, by proceedings for contempt of court, obedience of its or his order.

Section 13. A public accountant shall not be required by any court to divulge information or evidence which has been obtained by him in his confidential capacity as a public accountant.

Confidential
communica-
tions

Section 14. The fee to be paid by the applicant for an examination to determine his fitness to receive a certificate of registration is twenty dollars (\$20.00).

Fee for ex-
amination for
certificate of
registration

The fee to be paid for the issuance of a certificate is five dollars (\$5.00).

The fee to be paid for the renewal of a certificate of registration is one dollar (\$1.00).

The fee to be paid for the restoration of an expired certificate of registration is five dollars (\$5.00).

Section 15. The department of registration and education may adopt reasonable rules and regulations relating to the administration and enforcement of the provisions of this act.

Section 16. Each of the following acts is a misdemeanor, punishable upon conviction by a fine of not less than one hundred dollars (\$100.00) nor more than one thousand dollars (\$1,000.00) or by imprisonment in the county jail for not more than six months or by both such fine and imprisonment:

Violations
and penalties

(a) the practice of public accounting in so far as it consists in rendering service as described in section 1 without a certificate of registration in violation of the provisions of this act;

(b) the obtaining or attempting to obtain a certificate of registration by fraud;

(c) the use of the title "public accountant" or the abbreviation "P. A." or any words or letters indicating he is a public accountant, by any person who has not received a certificate of registration or authority to practise as a public accountant.

Engagements
originating in
other states

Section 17. Nothing contained herein shall be considered as prohibiting certified public accountants or public accountants of other states from practising in this state in pursuance of any engagement originating from without this state.

Effect on
other ac-
countancy
law

Section 18. Nothing contained in this act shall be construed or taken as repealing or as in any way affecting in whole or in part the provisions of an act entitled "An act to regulate the profession of public accountants," approved May 15, 1903, as amended.

INDIANA

AN ACT providing for a state board of certified accountants, defining its powers and duties, and providing for the examination and licensing of certified public accountants. (Approved March 10, 1921; amended March 9, 1927.)

Section 1. *Be it enacted by the general assembly of the state of Indiana*, that the state examiner and two deputy examiners of the department of inspection and supervision of public offices shall constitute ex officio the state board of certified accountants of Indiana. * State board

Section 2. The state examiner shall be president of the state board of certified accountants and he shall appoint one of the deputy examiners as secretary and the other deputy examiner as treasurer of the board. Said board may at any time it deems it necessary call in consultation an advisory board of three persons, each of whom shall be a person skilled in the knowledge and practice of accounting and actively engaged as a professional public accountant within the state. The board shall keep a record of its proceedings. Organization of board

Section 3. The state board of certified accountants of Indiana shall have its offices with the department of inspection and supervision of public offices in the state house. The board shall formulate rules for the government of the board and for the examination and granting of certificates as certified public accountants to persons applying and qualifying therefor; shall hold written examinations of applicants for such certificates, semi-annually in the city of Indianapolis, Indiana; shall grant certificates of qualification to such applicants as may upon examination be found qualified in accounting theory and practice, auditing and commercial law, to practise as certified public accountants; shall charge and collect from each applicant for such certificate a fee of twenty-five dollars (\$25), which fee shall not be refunded except in case the applicant be found not eligible for examination or fails to appear for examination: provided, however, that applicants may be re-examined at the next succeeding examination without the payment of an additional fee; and said board shall have authority to revoke for cause any certificate heretofore or hereafter issued after a written notice has been mailed to the holder thereof at his last known address at least twenty (20) days before hearing thereon; such notice shall state the cause of such contemplated action and appoint a time for hearing thereon by the board: provided, that no such certificate shall be revoked until after such hearing. Examination; certificates; fees

Qualifica-
tions of
applicants;
use of title
"C. P. A."

Section 4. A citizen of the United States, or a person who has duly declared his intention to become such a citizen, who has been a continuous resident of the state of Indiana for a period of not less than one (1) year prior to filing his application for a certificate, not less than twenty-one (21) years of age, of good moral character, a graduate of a high school or having received an equivalent education, with at least three (3) years' experience in the practice of accounting, and who has received from the state board of certified accountants as herein provided a certificate of his qualification to practise as a public accountant, shall be styled and known as a certified public accountant. No other person shall assume such title or use the abbreviation "C. P. A.," or other words or letters to indicate that he is a certified public accountant, and no firm or partnership shall assume or use such title or use the abbreviation "C. P. A.," unless every member thereof is the holder of an unrevoked certificate as a certified public accountant: provided, nothing contained herein shall affect applicants who are entitled to an examination for the fee heretofore paid.

Co-operation
with other
states;
adoption of
uniform
questions

Section 5. In order to co-operate with other states and hold its examinations at the same time and on the same dates upon which such other states hold semi-annual examinations for persons desiring to become certified public accountants, the state board of certified accountants shall have the authority to adopt questions prepared for such uniform examinations by a generally accredited official national organization of professional accountants incorporated under the laws of any state or of the District of Columbia with which twenty or more states are affiliated and co-operating in holding their "C. P. A." examinations. The state board of certified accountants shall have the authority to pay from the fees provided by this act the expense of employing examiners of such national organization to grade the manuscripts of candidates at such examinations: provided, however, that members of the board shall conduct such examinations as herein provided.

Certificate
holders of
other states;
fees

Section 6. A person who is a citizen of the United States or has declared his intention of becoming such citizen, who is at least twenty-one (21) years of age, of good moral character, who has complied with the rules and regulations of the state board of certified accountants and who holds a valid and unrevoked certificate as a certified public accountant issued under the authority of another state or territory of the United States or the District of Columbia, or who holds a valid and unrevoked certificate as a

member of a generally accredited official national organization of professional public accountants incorporated under the laws of any state or the District of Columbia, with whom twenty or more states are affiliated in holding "C. P. A." examinations, may receive from the state board of certified accountants of Indiana, without examination by said board, a certificate as a certified public accountant if the board is satisfied that the standards and requirements for a certificate as a public accountant thereof are substantially equivalent to those established by this act. Such person may thereafter practise in the state of Indiana as a certified public accountant and assume and use the name, title and style of "certified public accountant," or any abbreviation or abbreviations thereof: provided, that an applicant for such certificate shall pay into the treasury of the board a fee of twenty-five dollars (\$25), which fee shall not be refunded except in case a certificate is not granted by the board to such applicant.

Section 7. From the fees collected under this act, the board shall pay all expenses incident to its examinations and preparing and issuing certificates, expenses incident to maintenance of its offices and employment of necessary assistants. From said fees, the secretary and treasurer of the state board of certified public accountants shall each be entitled to an annual salary of not to exceed two hundred dollars (\$200) as fixed by the board: provided, that no part of the expenses or salaries herein provided for shall ever be paid from the state treasury. All funds remaining after the payment of such expenses at the end of each fiscal year, in excess of one hundred dollars (\$100), which may be retained for future expenses, shall be paid into the state treasury and credited to the general fund of the state: provided, that fees in the treasury of the board received from applicants who have not been examined shall be retained by the board until after examination and fees in case of application for certificates under section 6 of this act shall be retained until such applications are disposed of. The board shall report annually to the governor at the end of the fiscal year all certificates issued, together with a detailed statement of receipts and disbursements.

Section 8. Nothing contained in this act shall be construed to revoke any certificate heretofore issued by the state board of certified accountants except as provided for by section 3 of this act: and provided, further, that nothing in this act shall be construed

Expenses of
board;
disposition
of funds

Construction
of act

so as to prevent any person from being employed within this state as a public accountant.

Penalty for
unlawful use
of title
"C. P. A."

Section 9. Any person who shall assume the title of a certified public accountant or use the abbreviation "C. P. A." or other words or letters to indicate that he is a certified public accountant of the state of Indiana, without heretofore or hereafter having received from the state board of certified accountants of Indiana a certificate to practise as such, or whose certificate shall have been revoked by the board, shall be deemed guilty of a misdemeanor and shall upon conviction be fined in any sum not less than fifty dollars (\$50) nor more than five hundred dollars (\$500) for each offense.

Repeal

Section 10. That an act entitled "An act providing for a state board of certified accountants, defining their powers and duties, and providing for the examination and licensing of certified accountants," and declaring an emergency, approved March 9, 1915, be and the same is hereby repealed.

Registration
and fees

Section 10½. Every person holding a valid and unrevoked certificate as a certified public accountant, granted by this board under this act or any previous act, shall be required to register with said state board of certified accountants in the form and manner determined by said board within ninety (90) days from the passage of this act, such registration to cover the period ending June 30, 1928; each such person as above indicated shall during the month of June, 1928, and annually thereafter on or before July 31st, be required to register, and each applicant for registration shall submit with his application payment of \$3.00: provided, no registration shall be required of applicants who pass the May examination until June of the following year. Failure to register and comply with the provisions of this act shall operate to automatically cancel the certificate which has heretofore, or which may hereafter be granted under the provisions of this act, or of any prior act. A certificate revoked for failure to register and payment of annual fee may be reinstated by action of the board upon subsequent registration and payment of the current and delinquent fees: provided, such fee shall in no event exceed twenty-five dollars (\$25.00).

Compensa-
tion

For their services in connection with the provisions of section 10½ of this amendment, the secretary and treasurer shall each be entitled to additional compensation not exceeding two hundred dollars (\$200.00) per year, provided no part of the additional compensation shall ever be paid except that sufficient registration fees shall have been collected.

IOWA

AN ACT to repeal the law as it appears in chapter ninety-one (91) title V of the code, 1927, and to enact a substitute therefor relating to the practice of accountancy; to establish a board of accountancy and to provide for the examination, registration and licensing of practitioners of accountancy; to provide rules and regulations concerning the practice thereof and to provide penalties for violation thereof. (Approved, April 13, 1929.)

Be it enacted by the general assembly of the state of Iowa:

Section 1. Chapter ninety-one (91), title V of the code, 1927, is repealed and the following is enacted in lieu thereof:

Section 2. The board of accountancy shall consist of three (3) members, all of whom shall be practising certified public accountants, having practised accountancy in this state for at least five (5) years. Within sixty (60) days after this act takes effect, the governor shall appoint the members of said board for terms as follows: one (1) for a term ending June 30th, 1930, one (1) for a term ending June 30th, 1931; and one (1) for a term ending June 30th, 1932, and upon the expiration of each of said terms and of each succeeding term, a member shall be appointed for a term of three (3) years but no person shall be eligible for more than two (2) consecutive terms of office. Vacancies occurring in the membership of the board for any cause shall be filled by the governor for the unexpired term.

Section 3. The board shall have power and it shall be its duty to: (1) adopt, print, publish, and distribute reasonable rules not inconsistent with the provisions of this act for the guidance of the public, registered practitioners, and applicants for examination; (2) compel the attendance of witnesses; (3) administer oaths; (4) take testimony; (5) require proof in all matters pertaining to the administration of this act; (6) keep a record of all their proceedings including applications for examinations, registration, and certificates to practise showing the reasons for the refusal of any such application or for the revocation or suspension of any registration or certificate to practise; (7) preserve testimony taken in all hearings provided for in this act. Testimony may be oral or by deposition; and when oral the questions and answers shall be taken down by a certified shorthand reporter and full transcripts thereof made for the use of the parties interested; (8) the treasurer elected

Board of
accountancy;
appointment;
tenure

Powers
and duties

shall upon assuming office file with the auditor of state a good and sufficient bond in a company authorized to do business in this state in the penal sum of \$5,000.00 and shall, on or before June 30th in each year, pay all sums remaining after the payment of the expenses authorized by this act into the state treasury to be there carried to the credit of and subject to withdrawal by the board of accountancy; (9) the board shall make a biennial report to the governor of its proceedings, with an account of all moneys received and disbursed, a list of the names of all practitioners whose certificates to practise have been revoked or suspended, and such other information as it may deem proper or the governor request, and do all other things required by this act to be done by said board.

Annual
register

Section 4. The board of accountancy shall have printed and published for public distribution, in January of each year, an annual register which shall contain the names, arranged alphabetically by classifications, of all practitioners registered under this act; the names of the board of accountancy; and such other matters as may be deemed proper by the board of accountancy. Copies of said reports shall be mailed to each registered practitioner.

No compen-
sation;
expenses

Section 5. No compensation shall be paid to any member of the board for services as such, but the members thereof shall be allowed the necessary traveling, printing and other expense incident to the discharge of their duties. Bills for the expense of the board or its members shall be audited and allowed by the state board of audit and shall be paid from the fees received under the provisions of this act.

Annual
meetings;
election

Section 6. The board shall hold an annual meeting during the first week in July of each year, and a special meeting within sixty days after this act takes effect, for the purpose of electing from its accountant members, a chairman, a secretary and a treasurer; and it shall meet not less than four times each year, at least two of which meetings shall be held at the state house. Two members shall constitute a quorum except as otherwise provided.

Definitions;
practice of
accountancy

Section 7. All persons engage in the practice of accountancy, within the meaning and intent of this act, who, holding themselves out to the public as qualified practitioners and maintaining an office for this purpose, either in their own names, or as office managers and/or as managing officers of assumed name, association or corporate organization, perform for compensation, on behalf of more than one client, a service which requires the audit or verification of financial transactions and accounting records; the prepara-

tion, verification and certification of financial, accounting, and related statements for publication or for credit purposes; and/or who in general and incidental to such work, render professional assistance in any and all matters of principle and detail concerning accounting procedure and the recording, presentation and certification of financial facts.

Section 8. (a) A certified public accountant is a person who receives from the board of accountancy of the state a certificate under any law of the state relating to certified public accountants and which certificate has not been revoked under due process of law; and is entitled to use the abbreviation C. P. A. in connection with his name. All other practitioners may use their title in full as stated herein and no other.

Other terms
defined

(b) A public accountant is a person who is engaged in the practice of accountancy at the time of enactment of this act and who is not a certified public accountant, but who can qualify as a practitioner under the provisions of section 7 of this act.

(c) A senior accountant or senior staff accountant means a person employed by a practitioner entitled to registration under this act, and who, through the experience deemed necessary by his employer, has qualified and has been placed in charge of public accounting assignments.

(d) A junior accountant is a person who, through lack of experience, is required to work under the supervision of a senior accountant or a practitioner as herein defined.

(e) "Office," as used in section 7, means one or more office rooms through which public accounting work is handled.

(f) "Office managers and/or managing officers" as used in section 7, means persons having charge of public accountancy work handled through an office as defined in paragraph (e) of this section.

Section 9. All applicants for registration and certificates to practise accountancy, except persons actually engaged in such practice at the date of the passage of this act, and except as provided in sections 11, 12, and 13, and all persons who desire to become certified public accountants shall be required to take a written examination to be conducted by the board of accountancy, and upon satisfactorily passing the same shall receive certificates as certified public accountants and shall be entitled to practise as such upon the payment of annual fees as in this act provided.

Examination

Such examination shall be upon the following subjects: Theory of accounts, practical accounting, auditing, taxation, general commercial knowledge, and commercial law.

Examinations as above provided shall be conducted by the board of accountancy at least once each year in May or November, or both, as the board may deem expedient.

The board shall at its meetings establish the time and place of holding such examinations, and shall cause to be published a notice thereof for not less than three consecutive days in each of three daily newspapers published in this state, the last publication to be not less than sixty days prior to such examination, and shall notify all candidates of their success or failure within a reasonable time, stating the grade received on each paper or subject.

Qualifica-
tions for
examination

Section 10. Every applicant for the examination provided for in the preceding section must be over twenty-one years of age, a resident of this state, a citizen of the United States or have declared his or her intention to become such, of good moral character, a graduate of a high school having at least a four-year course of study or its equivalent as determined by the board of accountancy, or shall pass a preliminary examination to be given by the board at least thirty days before the regular examination; and a graduate of a college or university commerce course of at least three years, majoring in accounting, and in addition shall have had at least one year's service as a staff accountant in the employ of a practitioner entitled to registration under this act.

The following shall, however, be accepted in lieu of the college or university commerce course and the one year of service:

(a) three years' continuous practical accounting experience as a public accountant or as a staff accountant;

(b) three years' continuous employment as a field examiner under a revenue agent-in-charge of the income tax bureau of the treasury department of the United States, or as a field examiner in the auditor's, budget director's, banking or insurance departments of this state.

Oral or
written
examination

Section 11. All practitioners as described in section seven (7) who on June 30th, 1929, shall have been engaged in such practice for seven years or more, the last five years of which shall have been in this state, shall upon satisfactorily passing an examination upon the practical principles and practice of accountancy, be issued certificates to practise as certified public accountants provided request for such examination is made in the original application for registration on or before September 30th, 1929. The ex-

aminations as provided in this section shall be either written or oral, at the option of the applicant, and shall be held as soon as possible after the application has been received by the state board of accountancy or the board of accountancy as created by this act and certificates shall be issued within twenty (20) days after the date of such examination to all who successfully pass the same. When an oral examination is taken by an applicant, the questions and answers shall be fully taken down by a certified shorthand reporter.

All practitioners as defined by section seven (7) who were engaged in such practice in the state of Iowa at the date of the taking effect of chapter one hundred thirty-four (134) of the acts of the thirty-sixth general assembly and who shall have been continuously engaged in such practice in this state since the passage of said act shall upon application to the board of accountancy be issued certificates as certified public accountants as of date September 30, 1929, without examination.

Section 12. All practitioners engaged in the practice of accountancy in this state at the time of the passage of this act, who desire to continue in such practice, shall upon application to the board of accountancy on or before September 30, 1929, be registered as follows:

Registration
of
practitioners

(a) All persons entitled to certificates under this act prior to September 30, 1929, as certified public accountants, shall be registered as certified public accountants and be issued certificates before December 31, 1929, to practise as such for the ensuing year.

(b) All other practitioners shall be registered as public accountants and shall be issued certificates before December 31, 1929, to practise as such for the ensuing year.

(c) All practitioners who, in connection with the practice of accountancy, make use of a firm, association, assumed or corporate name, shall register the same at the time of making application for registration as herein provided, and certificates to practise shall be issued only in the names of individuals; and only firms whose members are all certified public accountants shall use such designation in connection with the use of such firm names.

Section 13. All applicants for registration and certificates to practise accountancy for whom no provision is made in the preceding sections, shall be required to take and pass the examination provided for in section 9, except as follows:

Registration
of applicants
to practise

(a) The holders of unrevoked certified public accountant certificates granted in this state prior to September 30, 1929, and who are

not engaged in practice at that time may register their certificates in December, 1929.

(b) The holders of unrevoked certified public accountant certificates granted by other states or of equivalent certificates granted by the recognized authority of foreign countries may register their certificates, provided such certificates were issued as the result of an examination which, in the judgment of the board of accountancy, was equivalent to the standard set by it, or the holders thereof shall have been in continuous practice thereunder for at least seven (7) years.

(c) All senior accountants who have been continuously employed as such for at least three years prior to June 30, 1929, by practitioners entitled to registration under this act or as senior accountants in the employ of public accountants of recognized standing in other states shall be registered as public accountants, provided the last year of such employment shall have been in this state.

(d) Certificates to practise, either as certified public accountants or public accountants, shall not be issued to any person referred to herein until such person shall have filed with the board of accountancy a written declaration of intention to practise as defined by this act.

Oath

Section 14. Every applicant for certificate to practise accountancy shall be required, prior to the issuance thereof, to subscribe and file with the board the following oath: I do solemnly swear (or affirm) that I will support the constitution of the United States and the constitution of the state of Iowa, and that I will faithfully and conscientiously perform the duties of a practitioner of accountancy to the best of my ability and in accordance with the law.

(a) Every person having been granted a certificate to practise accountancy under the provisions of this act, or any renewal thereof, shall give a bond in the sum of five thousand dollars (\$5,000.00) to the auditor of state before entering upon the discharge of his duties for the faithful performance of the same.

Fees

Section 15. The board of accountancy shall collect the following fees:

(a) for examination of applicants, the sum of \$25.00.

(b) for registration of certified public accountants' certificates granted by other states and foreign countries, the sum of \$25.00.

(c) for issuance of certificates to practise, the sum of \$10.00 in December 1929, and annually thereafter; for periods of less than six months, \$5.00.

(d) for registration of firm, assumed, association or corporate names; of certified public accountants not in practice; and of senior accountants entitled thereto, the sum of \$5.00 payable in December 1929, and annually thereafter.

On the failure of payment of any of the annual fees above provided, the registration shall be automatically canceled and any registrant so defaulting shall not be entitled to receive a certificate to practise until he or she shall have paid the registration fee as provided herein, together with the amount of such default or arrears.

Section 16. Registrations and certificates to practise shall be subject to renewal in December of each year, upon payment of the fees provided by this act. Renewal of certificates

Section 17. The board of accountancy shall revoke and cancel the registration or certificate to practise of any person upon proof that the holder thereof has been convicted of a felony or any lesser offense involving dishonesty or fraud; or has been principal or accessory to the issuance or certification of false or fraudulent financial or related statements; or has obtained registration and certificate to practise or either by means of false statements or representations; or may suspend such registration and certificates or either upon proof that the holder thereof has been guilty of unprofessional or unethical conduct in connection with the practice of accountancy. Such suspension shall be for such period of time, not exceeding one year, as in the discretion of the board shall be deemed appropriate. Revocation of registration and certificates to practise

Neither revocation nor suspension as herein provided shall be ordered by the board until a written notice stating the name of the person or persons who filed the charges, or that the board initiated the charges, a full and complete copy of the charges which have been preferred, and fixing the time and place where the hearing shall be had, shall have been served upon the person against whom such charges are filed in the manner of serving original notices in the district court of Iowa, at least twenty (20) days before the date fixed for hearing.

The board may adjourn such hearing from time to time upon request of the party charged, for the purpose of a fair hearing, and the certificate holder shall have the right to be represented by counsel.

All hearings as herein provided shall be before the full board, and a two-thirds vote of the members thereof shall be required before any cancellation, revocation or suspension shall be ordered,

The district court is empowered to enforce by proper proceedings the provisions of this chapter relating to the attendance and testimony of witnesses and the examination of books and records.

Confidential
information;
privilege

Section 18. The information acquired by registered practitioners or their employees, agents, or servants in the course of professional engagements shall be deemed confidential and privileged, and, except by written permission of the clients involved, or their heirs or personal representatives, shall not be disclosed to any person; provided, however, that nothing contained in this section shall be construed to modify, change, or otherwise affect the criminal or bankruptcy laws of this state or of the United States.

Corporations
not to
practise

Section 19. Articles of incorporation shall not, after the passage of this act, be granted which include among their objects the practise of accountancy, but nothing contained in this act shall be construed to alter, abridge, revoke or in any manner affect the rights and powers of existing corporations.

Unlawful
practice

Section 20. It shall be unlawful after September 30, 1929, for any person to practise accountancy in this state as defined in this act either as an individual or as a member of any firm or association or under a firm, assumed or corporate name, whether maintaining an office for such practice or not, unless such person is the holder of a certificate to practise for the current year or is entitled to registration as in this act provided and has made application therefor.

Penalties

Section 21. (a) Any person, firm or corporation who shall practise accountancy in this state in violation of the provisions of this act, or who shall in any manner hold themselves out to the public as practitioners of accountancy without having complied with all of the provisions of this act, shall for each such offense be guilty of a misdemeanor, and upon conviction thereof shall be punished by imprisonment in the county jail not exceeding thirty days, or by a fine not exceeding \$100.00, or by both such fine and imprisonment.

(b) Any person, firm or corporation who shall sign, execute, or publish any report, financial, accounting, or related statement, designating himself or themselves as registered or certified practitioners or knowingly permit the printing and publication of any announcement in writing to the effect that such report or statement has been prepared by a registered or certified practitioner when in fact the person, firm, or corporation preparing the same was not registered or certified as in this act provided, shall be guilty of a misdemeanor, and upon conviction thereof, shall be

punished by a fine not to exceed \$500.00 or by imprisonment in the county jail for a term not exceeding one year.

(c) any practitioner of accountancy who shall wilfully or knowingly utter or certify to the correctness of any report, financial accounting, or related statement, which is known to such practitioner to be false, misleading to the public, or designed to mislead any person, shall be deemed guilty of a felony, and upon conviction thereof shall be punished by a fine of not to exceed \$5,000.00, or by imprisonment in the state prison for a term not exceeding two years, or by both such fine and imprisonment in the discretion of the court.

Section 22. Nothing contained in this act shall be construed to prevent: Exceptions

(a) the holders of certified public accountant certificates granted by other states from practising in this state in connection with temporary engagements incident to their professional practice in the states of their domicile but who have neither office nor legal address in this state; provided they file with the board of accountancy, and with the auditor of state, at least five days before commencing work for a client, the written appointment of a registered practitioner in this state to act as agent upon whom legal service may be had in all matters which may arise from such temporary professional engagements;

(b) the employment by registered practitioners of non-registered persons to serve as staff accountants provided the latter do not issue reports or accounting statements in their own names except such office records as may be customary;

(c) attorneys-at-law duly admitted to practise in this state from doing anything usual and proper in connection with their duties as such attorneys;

(d) the employment of persons by more than one individual firm or corporation for the purpose of keeping books, making trial balances, or performing general commercial bookkeeping.

Section 23. The state board of accountancy in existence at the passage of this act by virtue of chapter 91 of code of 1927, repealed herein, shall continue in existence until August 4, 1929, and until the board provided for in this act shall have been appointed and qualified, for the purpose of issuing certified public accountant certificates to persons who have become entitled thereto, prior to August 4, 1929, and for the purpose of winding up the affairs of said board.

Existing
board
dissolved

Constitu-
tionality

Section 24. Should the courts of this state or of the United States declare any of the provisions of this act unconstitutional, illegal, or void, such decision shall not invalidate any other provision herein contained.

KANSAS

AN ACT in relation to public accountants and providing a penalty for violation of the provisions thereof. (Enacted, May 22, 1915.)

Be it enacted by the legislature of the state of Kansas:

1-101. Any citizen of the United States, or any person who has declared his intention to become a citizen, having established an office in the state of Kansas for the regular transaction of business as a professional accountant, and who shall receive from the university of Kansas an authenticated certificate of his qualifications as a public accountant, shall have authority to style himself and be known as a certified public accountant and use the letters "C. P. A." after his name for and during the period specified in his certificate.

Who may be deemed a certified public accountant

1-102. The state board of administration shall have power to determine the qualifications of persons applying for such certificates, which qualifications shall conform as far as practicable to the standards approved by the American Association of Public Accountants. It shall make all rules and regulations governing the issuance of said certificates and shall cause competent persons to offer examinations under such rules at least once each year. (The American Association of Public Accountants is now known as the American Institute of Accountants.)

State board of administration to determine qualifications, rules, examinations

1-103. There shall be collected from each applicant for examination and for each certificate issued without examination under the provisions of this law, a fee of \$10, which money shall be paid into the state treasury and shall be paid out for the benefit of the state university upon the verified voucher approved by the state board of administration.

Fees

1-104. The board may, in its discretion, waive the examination of any person of competent age, of good moral character, and who has been engaged in the reputable practice as a public accountant for a continuous period of three years, one of which shall have been in the state of Kansas, immediately preceding the passage of this act, or who has been employed as an accountant by a reputable firm of accountants for a continuous period of five years, one of which shall have been in the state of Kansas, immediately preceding the passage of this act, and who shall apply in writing to the board for such certificate within six months after the taking effect of this act.

When examinations may be waived

Reciprocal
arrangement
with other
states

1-105. Any citizen of the United States or person who has declared his intention of becoming such citizen, of good moral character, and who has complied with the rules and regulations of the board pertaining to such cases, and who holds a valid and unrevoked certificate as a certified public accountant or the equivalent thereof, issued by or under the authority of any other state of the United States, or by or under the authority of a foreign nation, when the board shall be satisfied that their standards and requirements for a certificate as a certified public accountant are substantially equivalent to those established by this act, may at the discretion of the board receive a certificate as a certified public accountant, and such person may thereafter practise as a certified public accountant and assume and use the name, title and style of "certified public accountant" or any abbreviation or abbreviations thereof, in the state of Kansas: provided, however, that such other state or nation extends similar privileges to certified public accountants of the state of Kansas.

Revoking
certificates

1-106. The board may revoke or cancel the registration of any certificate issued under this act for unprofessional conduct of the holder or for other sufficient cause: provided, that written notice shall have been mailed to the holder of such certificate, at his last known address, at least twenty days before any hearing thereon, stating the cause of such contemplated action, and appointing a day for a full hearing thereon by the board: and provided further, that no certificate issued under this act shall be revoked until such hearing shall have been held or an opportunity for such afforded the person charged. The board shall have power to summon witnesses, compel their attendance and examine them under oath at hearings held for the above purposes, and shall keep record of the evidence adduced thereat. In the event of the revocation, cancellation or suspension of any such certificate, the board shall notify the university of Kansas of its action in the premises, and the university of Kansas shall note such order of the board upon the records kept in its office.

Falsely
assuming
to be a
certified
public
accountant

1-107. If any person represents himself to the public as having received a certificate as provided in this act, or shall assume to practise as a certified public accountant, or use the abbreviation C. P. A., or any similar words or letters, to indicate that the person using the same is a certified public accountant, without having received such certified public accountant certificate, or without having received a registration certificate, as provided in this act;

or if any person having received a certificate, as provided in this act, and having thereafter been deprived of such certificate by revocation, as herein provided, shall continue to practise and hold himself out as a certified public accountant, he shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be fined a sum not less than fifty dollars (\$50) nor more than five hundred dollars (\$500) for each offense, and each day such person shall so offend shall be deemed a separate offense. Nothing in this act shall be construed to prohibit any person from practising as a public or expert accountant in this state, but said act shall apply only to such persons as practise and hold themselves out as certified public accountants.

1-108. If any person practising in the state of Kansas as a certified public accountant under this act, or who is in the practice of public accountancy as a certified public accountant, or otherwise shall wilfully falsify any report or statement bearing on any examination, investigation or audit made by him or under his direction, he shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine of not less than \$100 or more than \$1,000, or shall be imprisoned in the county or city jail for a term not less than three months nor more than one year, or both such fine and imprisonment, for each time he may so falsify such reports, and his conviction shall ipso facto revoke and cancel his certificate as a certified public accountant.

Automatic
cancellation
of
certificate
upon
conviction of
falsification
of report of
accountant

1-109. Nothing herein contained shall be construed to restrict or limit the power or authority of any state, county, or municipal officer or appointee engaged in or upon the examination of the accounts of any public officer, his employees or appointees, nor in any sense to prevent any person who does not elect to practise as a certified public accountant from engaging in the practice of public accounting. This act is specifically designed to encourage proficiency in the practice of accounting as a profession, to promote efficiency in accounting methods both in public and in private activities, and to extend to public officials as well as private concerns the protection afforded by a standardized profession. With this end in view the board of administration is specifically empowered with large discretionary powers and is directed to administer this act to the end that the highest ethical standards may be achieved.

The practice
of
accountancy
by those
who are not
certified

KENTUCKY

AN ACT creating a state board of accountancy, prescribing its powers and duties, providing for examinations and issuing certificates to qualified public accountants, and providing for penalties for violation of the provisions of this act. (Approved March 4, 1916.)

Be it enacted by the general assembly of the commonwealth of Kentucky:—

State board

1. There is hereby established a state board of accountancy to consist of three members.

Within thirty days after this act becomes a law the governor shall appoint as members of said board three persons skilled in the knowledge and practice of accounting, each of whom shall have been a citizen of the state of Kentucky for at least one year and shall have been for at least three years immediately preceding such appointment actively engaged as a professional public accountant as hereinafter defined.

One of the members thus appointed shall be appointed for a term of one year, one for a term of two years and one for a term of three years; and thereafter as the terms of said offices expire the governor shall appoint, from among the holders of certificates as certified public accountants as hereinafter provided for, a member of said board for a term of three years or until his successor shall be appointed and qualified.

The governor shall have power to fill any vacancy occurring in the membership of the board and remove any member for cause after due notice and a hearing thereon.

Officers

2. Within thirty days after the appointment of said board, the members thereof shall hold a meeting and organize, by the election of a president, secretary and treasurer, each of whom shall hold office until Tuesday after the first Monday in January, nineteen hundred and seventeen, and the election of officers thereafter shall be held annually on Tuesday after the first Monday in January. The offices of secretary and treasurer may be held by the same person. The first board after organizing shall issue to each member thereof a certificate as certified public accountant.

Powers and duties

3. The board shall make all necessary rules and regulations for conducting examinations of applicants and governing the method and time of filing applications for examinations, and the time within which an applicant must be examined after his application has

been filed, and said board shall have the power to adopt all other reasonable rules and regulations, not inconsistent herewith, as may be necessary to carry into effect the objects and purposes of this act.

All such examinations shall be conducted by the state board of accountancy. The examinations shall take place as often as may, in the opinion of the board be necessary, at such date and place as may be selected by it, but not less than once in each calendar year.

Said board shall keep a complete record of its proceedings, and an accurate list of all applications made, certificates issued, certificates revoked, a complete record of cash receipts and disbursements, and shall make report of same annually to the governor on the thirty-first of December. Records and reports

Said board shall adopt and provide itself with a seal with a band inscribed "State board of accountancy of Kentucky," with the coat of arms of the state of Kentucky in the center, and all certificates issued as provided for in this act, shall be signed by the president and secretary of said board and shall bear the imprint of said seal. Seal of board

A majority of said board shall constitute a quorum and the affirmative vote of two members shall be considered as the action of said board except in case of revoking a certificate, in which case the unanimous vote of the board shall be required.

4. Every applicant for certificate as certified public accountant shall be— Who may be certified

A citizen of the United States or a person who has, in good faith, declared his intention of becoming such citizen; not less than twenty-five years of age; of good moral character; a graduate of a high school with a four-year course, or who, in the opinion of the board, possesses an education fully equivalent to that of a graduate of a high school with a four-year course; who has had at least three years' experience in the practice of accounting, at least one year of which shall have been either in the office of a practising accountant or in individual practice as a public accountant.

5. No person (except those provided for under section six of this act) shall have issued to him a certificate as certified public accountant until after he has been found qualified by written examination, conducted by the state board of accountancy of Kentucky in the subjects of practical accounting, theory of accounts, auditing and commercial law as affecting accountancy. Examinations

Waiver

6. The said board of accountancy shall waive the examination of and issue a certificate as a certified public accountant to any person who furnishes said board with evidence of satisfactory work in accounting completed by him and who possesses the qualifications mentioned in section four of this act, as to age, citizenship, moral character, preliminary education and experience in practice of accountancy, who is a citizen of the state of Kentucky, and who for more than three years immediately preceding the passage of this act shall have been practising on his own account as a public accountant and who shall apply in writing for such certificate within ninety days after the passage of this act, provided, that such applicant shall submit with his application proof of his age, citizenship, good moral character, educational qualifications and experience in the practice as a public accountant as set out in section four of this act; or to any person who is the legal holder of a certificate as certified public accountant or chartered accountant issued by or under the authority of any other state or territory of the United States, District of Columbia or foreign nation, provided, however, that the Kentucky state board of accountancy shall be satisfied that the standards and requirements for the issue of such certificates are fully equivalent to those established by this act.

Public accountants

7. For the purpose of this act a public accountant is hereby defined as a person skilled in the knowledge of science of accounting who holds himself out to the public as a practising accountant for compensation and who maintains an office for the transaction of such and whose time during the regular business hours of the day is devoted to the practice of accounting as a professional public accountant.

Use of title "C. P. A."

8. Any person who has received from said state board of accountancy a certificate of his qualifications to practise as a certified public accountant, as herein provided, shall be known as a certified public accountant and no other person and no partnership, all the members of which have not received such certificates and no corporation shall assume such title of certified public accountant or chartered accountant, or use the abbreviation, "C. P. A." or "C. A." or any other words, letters, or abbreviations indicating that such person, firm or corporation is the holder of certificates as herein provided for. All firms and partnerships as are authorized to do business under the provisions of this section of this act shall at all times keep on file with the secretary of the said state board of accountancy the names and post-office address of each member of

said firm or partnership, which record shall at all reasonable times be open to the inspection of any person holding a certificate as certified public accountant, issued under the provisions of this act.

9. For the purpose of defraying the expenses of said board, a fee of twenty-five dollars shall be paid into the treasury of said board by each of the members of the first board appointed by the governor, and a like sum shall be paid into the treasury of the board of accountancy by each person applying thereto for a certificate as certified public accountant, which fee must accompany the application and no part of said fee shall be refunded, but no additional charge can be made against the applicant by the board for holding the examination or determining his right to the certificate or issuing to him of a certificate as certified public accountant.

Fee for
examination

Any applicant failing to receive a certificate upon his first application, under section six of this act, or any applicant who fails to pass at his first examination shall be entitled to enter at any stated examination held within one year from the date of his failure to procure a certificate, as provided for in this act, without payment of any additional fee.

10. Members of the board to be appointed under the provisions of this act shall be paid for the time actually expended in the pursuance of the duties imposed upon them by this act an amount not exceeding five dollars per day and they shall be entitled to necessary traveling expenses when on official business of the board.

Compensa-
tion

All necessary expenses incident to carrying out the provisions of this act shall be paid out of the funds of the board but no expenses incurred under this act shall ever be a valid charge against the funds of the state of Kentucky.

11. Said state board of accountancy shall revoke certificates issued under the provisions of this act, and held by any person who may be guilty of knowingly issuing or certifying to any false statement or statements or who has been convicted of crime involving moral turpitude, or who fails to pay the annual dues within sixty days after the same is due, provided, however, that written notice of such proposed action shall have been delivered in person or forwarded by registered mail to the holder of such certificate at his last known post-office address, stating the cause for such contemplated action, together with a copy of the charges and appointing a time and place for hearing thereon by the state board of accountancy, provided, however, that no certificate issued under this act shall be revoked until after such hearing and at all such hearings

Revocation of
certificates

both the board and the accused may be represented by counsel. Any certificate issued by this board and subsequently revoked shall be surrendered to the board.

Annual fee
for
certificate

12. The board of accountancy hereby created shall not have the power to create any debt or incur any expense beyond the funds of the board, which shall consist of the fees hereinbefore fixed and an annual fee of not exceeding two dollars which shall be paid at such time as may be fixed by said board by every person holding a certificate as certified public accountant issued by said board. Any person desiring to be relieved of the annual dues may do so by voluntarily surrendering his certificate to the board, after which he shall not be considered or known as a certified public accountant within the meaning of this act, unless he is again qualified by the examination, as provided for in this act.

Violation

13. Any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction shall be fined not less than ten dollars nor more than two hundred dollars or be imprisoned in the county jail for a period of not less than one month nor more than six months or both so fined and imprisoned in the discretion of the court or jury.

Practice of
accountancy

14. Nothing herein contained shall be so construed as to prevent any person from being employed or practising as an accountant in this state.

Connection
of members
of board
with
organizations

15. No person shall be appointed a member of the state board of the state of Kentucky who is directly, or indirectly interested in, or connected with, in a pecuniary way, any business college, organization, or association, teaching book-keeping, or accounting; but nothing herein shall be construed to prevent any member of the said board from delivering lectures or assisting in any such business college, organization, or association teaching accounting or book-keeping; provided that such services are rendered without charge and that no compensation or remuneration is received or accepted for such services.

16. If any clause, sentence, paragraph, or part of this act shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid such judgment shall not affect, impair, or invalidate the remainder of said act, but shall be confined in its operation to the clause, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

LOUISIANA

AN ACT to amend and re-enact the title, and sections 1, 2, 3, 4, 5, 6, 7, and 8 of act No. 125 of the general assembly of the state of Louisiana, of 1908, entitled "An act to regulate the practice of public accounting by establishing a state board of accountants, fixing its fees and emoluments; to prohibit the unlawful use of words, letters or other means of identification, by unauthorized persons, as certified public accountants under this act, and to provide penalties for the violation of its provisions;" and to repeal all laws or parts of laws in conflict with this act and particularly act No. 247 of the general assembly of the state of Louisiana, session of 1912. (Approved July 12, 1924.)

Section 1. *Be it enacted by the legislature of Louisiana*, that the title of act No. 125 of the general assembly of the state of Louisiana, of 1908, entitled "An act to regulate the practice of public accounting by establishing a state board of accountants, fixing its fees and emoluments; to prohibit the unlawful use of words, letters or other means of identification, by unauthorized persons, as certified public accountants under this act, and to provide penalties for the violation of its provisions," be and the same is hereby amended and re-enacted so as to read as follows:

Amendment
to
Act No. 125

"An act to regulate the profession of public accounting by establishing a state board of certified public accountants of Louisiana, fixing its fees and emoluments; to prohibit the unlawful use of words, letters or other means of identification by unauthorized persons as certified public accountants or public accountants under this act and providing for the employment of unlicensed persons by certified public accountants or public accountants and to provide penalties for the violation of its provisions."

Section 2. That sections 1, 2, 3, 4, 5, 6, 7, and 8 of act No. 125 of the general assembly of the state of Louisiana, of 1908, be, and the same are hereby amended and re-enacted so as to read, respectively, as follows, to wit:

Section 1. *Be it enacted by the legislature of Louisiana*, that any citizen of the United States, residing or having a place for the regular transaction of business in the state of Louisiana, being over the age of twenty-one (21) years, of good moral character, and who shall have received from the state board of certified public accountants a certificate of his qualifications to practise as a certified public accountant, as hereinafter provided, shall be

Use of title
"C. P. A."

styled and known as a certified public accountant, and it shall be unlawful for any other person or persons to assume such title or use any such letters, abbreviations or words to indicate that the one using same is a certified public accountant, except that those who shall be engaged in the practice of the profession of public accounting within the state of Louisiana, at the time of the passage of this act, as public accountants and who have not qualified as certified public accountants and who have been in continuous practice for their own account or as a senior accountant for any firm or individual of public accountants for a period of not less than three years, and who has been maintaining an office as a public accountant immediately prior to the passage of this act, and who shall satisfy the state board of certified public accountants as to their good moral character and professional experience, shall be allowed to practise as public accountants and to be styled as such, but not to be allowed the title of certified public accountants, or the use of the abbreviation C. P. A., provided that application for registration of those not holding C. P. A. certificates under act 125 of 1908, shall be filed with the state board of certified public accountants, within sixty days after the passage of this act. Nothing in this act shall be construed as invalidating any certificate heretofore issued by the Louisiana state board of accountants. All holders of certificates as certified public accountants or public accountants under this act shall be governed and controlled by the rules and regulations adopted by the state board of certified public accountants.

**Employment
of unlicensed
accountants**

Nothing contained in this article shall prevent the employment by a certified public accountant or public accountant or a firm or co-partnership of certified public accountants or public accountants of unlicensed persons as junior, semi-senior, senior or other assistant accountants, provided that the unlicensed employees work under the control and supervision of certified public accountants or public accountants and do not certify to any one the accuracy or verification of audits and statements, and provided further that such unlicensed employees do not hold themselves out as engaged in the practice of public accountancy.

Registration

Be it further provided that no corporation shall be allowed to practise the profession of public accounting within the state of Louisiana, that no partnership shall practise as certified public accountants, unless each of the members thereof is a holder of a C. P. A. certificate heretofore issued by the Louisiana state board

of accountants or hereafter issued by the state board of certified public accountants, and no firm shall practise as public accountants unless each and every member thereof is duly registered and qualified as above provided.

Section 2. Within sixty (60) days after the passage of this act the governor of the state of Louisiana shall appoint five (5) persons, who shall be certified public accountants of Louisiana, not less than three (3) shall be residents of the city of New Orleans, and the other member or members, if any, may be selected from the state at large and said members shall establish and constitute the "state board of certified public accountants of Louisiana." The domicile of the board shall be in the city of New Orleans. State board

In the appointment of the first board, under this law, the governor shall appoint one (1) member for a term of one (1) year, one (1) for a term of two (2) years, and one for a term of three (3) years, one for a term of four (4) years, and one for a term of five (5) years. Term of office

Beginning one year after the first appointment under this law, and yearly thereafter, the governor shall appoint a member to serve for a term of five (5) years or until such time as his successor has qualified.

In case of any vacancy or delay in appointment, the appointment shall be only for the unexpired term, so that the overlapping terms herein provided for shall always be maintained. No member of said board shall be permitted to succeed himself. All vacancies created by death, resignation or otherwise, shall be filled by the governor, for the unexpired term or terms. Within thirty (30) days after their appointment, the members of said board shall take an oath before any person authorized to administer oaths in this state, to faithfully and impartially perform their duties, and same shall be filed with the secretary of state. Members

Section 3. The state board of certified public accountants of Louisiana is hereby authorized and empowered to adopt and enforce all necessary rules, regulations, by-laws, etc., not in conflict with law or with the provisions of this act, to govern its proceedings and to regulate the mode of conducting examinations to be held under this act, provided said examination shall be in writing and held at least once a year in the city of New Orleans; and provided further that when, in the opinion of the state board of certified public accountants of Louisiana, there is a sufficient number of applications for examination from any other locality of the state to warrant the holding of said examination in such locality, the Rules and regulations

Examinations state board of certified public accountants of Louisiana shall hold said examinations in such locality. The examinations shall cover a knowledge of the theory of accounts, practical accounting, auditing, commercial law as affecting accountancy and such other branches of knowledge as the board may deem necessary to maintain the highest standard of proficiency in the profession of public accounting. The board shall have power and authority to issue certificates under their official seal and signatures, as provided in this act. The candidate shall be required to prove at least a high school education or its equivalent and furnish satisfactory evidence of character and reputation. Three (3) concurring votes shall be required to pass or reject a candidate.

Fees Section 4. The state board of certified public accountants of Louisiana shall be authorized to charge each applicant for a certificate and the registration thereof a fee not to exceed twenty-five (\$25.00) dollars, the same to be paid when the application is filed provided that the fee for each application for a certificate as a public accountant filed within sixty days after the passage of this act shall not exceed fifteen (\$15.00) dollars. Out of the funds collected under this act shall be paid the expenses of the state board of certified public accountants of Louisiana, and an amount not exceeding fifteen (\$15.00) dollars per day, each, for the time expended by such members in conducting examinations, holding hearings, as hereinafter provided for, and issuing certificates, provided no expenses incurred by said board shall ever be charged to the funds of the state.

**Expenses
of board**

**Certificates
from
other states** Section 5. The state board of certified public accountants of Louisiana, may, in its discretion, register the certificate of any certified public accountant who is the lawful holder of a certified public accountant's certificate issued under the law of another state, and may issue to such certified public accountant a certificate which shall entitle the holder to practise as such certified public accountant and to use the abbreviation "C. P. A." in this state, provided that the state issuing the original certificate grants similar privileges to the certified public accountants of this state.

It shall be unlawful for any holder of a certificate from another state to use the abbreviation "C. P. A." with or without any qualifying words or letters, unless he has his certificate registered in the manner herein provided. The fee for such registration shall not exceed twenty-five (\$25.00) dollars.

Section 6. The holders of certificates heretofore issued under the provisions of act 125 of 1908 shall not be required to secure additional certificates under this act, but shall otherwise be subject to all the provisions of this act; and such certificates heretofore issued shall, for all purposes, be considered certificates issued under this act and subject to the provisions hereof.

Certificates
previously
issued

Section 7. The state board of certified public accountants of Louisiana may revoke any certificate issued under this act, or may cancel the registration of any certificate registered under this act, for the unprofessional conduct of the holder of such certificate, or for other cause, provided that written notice shall have been mailed to the holder of such certificate twenty (20) days before any hearing thereon, stating the cause for such contemplated action, and appointing a day for a full hearing thereon by the state board of certified public accountants of Louisiana; and, provided further, that no certificate issued under this act shall be revoked until such hearing shall have been held, and provided further, that when the gravity of the offense does not, in the opinion of the board warrant such revocation the board shall have the power and authority to suspend and temporarily recall the certificate of said holder for a period of not more than one year, during which time of suspension said holder shall not be considered as a certified public accountant or public accountant of Louisiana, and shall not be permitted to use the title of certified public accountant or public accountant or the letters "C. P. A." Provided further that the board shall have the power and authority to merely officially censure the holder. All such hearings shall be public. The board shall have the power and authority to summon witnesses and to have them duly sworn by a notary public. Provided further, that in all such hearings the board shall be not only judges, but also investigators, and it shall be its duty to investigate all charges brought before it, either by itself or by others, by independent investigations of such charges. Four concurring votes of this board shall be required for the revocation of any certificate. Three concurring votes only will be required for a suspension or censure. Providing any person believing himself to be injured by any decision of the said board shall have the right of appeal to a court of competent jurisdiction, further that except by express permission of the person employing him or of the heirs, personal representatives or successors of such person, a certified public accountant, or public accountant, or person employed by certified public accountant or public

Revocation
of
certificates

Suspension

Powers of
board

**Confidential
communications**

accountant shall not be required to, and shall not voluntarily disclose or divulge the contents of any communication made to him by any person employing him to examine, audit, or report on any books, records, or accounts, nor divulge any information derived from such books, records or accounts in rendering professional services. Providing that nothing in this section shall be taken or construed as modifying, changing or affecting the criminal laws of this state or the bankruptcy laws. Provided that nothing in this section shall affect any rules and laws of evidence of this state or any proceedings held in any court of law in this state or of the United States.

In the event that any provisions or parts of this act shall be held by a court to be invalid, the remainder of this act shall remain in full force and effect.

**Violations
and penalties**

Section 8. If any person shall represent himself to the public as having received a certificate as provided in this act, or who shall assume the practice as a certified public accountant, or use the abbreviations "C. P. A." or any similar words or letters to indicate that the person using the same is a certified public accountant, or public accountant without having received a registration certificate as provided in this act, or if any person having received a certificate, as provided in this act and having thereafter lost such certificate by revocation or suspension as provided in section 7 shall continue to practise as a certified public accountant, or public accountant, he shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not less than one hundred (\$100.00) dollars, or sentenced to serve three (3) months in jail for each offense, or both, at the discretion of the court.

Repeal

Section 3. All laws or parts of laws in conflict with this act and particularly act 247 of the general assembly of the state of Louisiana, session of 1912, are hereby repealed.

(ACT 159 OF 1926)

AN ACT requiring every holder of a certificate from the state board of certified public accountants and every public accountant who continues in active practice, to renew his or her certificate of registration annually, and providing a fee therefor.

**Renewals
and fees**

Section 1. *Be it enacted by the legislature of Louisiana, that every registered certified public accountant and public accountant who continues in active practice, either in his own name or as an*

employee of a certified public accountant or public accountant or as a member of a firm of certified public accountants or public accountants, shall annually, on or before the 1st day of January, renew his or her certificates to practise his or her profession.

Section 2. That every certificate of registration which has not been renewed during the month of January in any year shall expire on the 1st day of March in said year and thereafter the holder of said permit who has not renewed the same as herein provided shall not be authorized to practise his or her said profession.

Section 3. That a registered certified public accountant or public accountant, as provided by law, whose certificate has expired, may have his or her certificate restored only upon the payment of the fee herein provided.

Section 4. That the state board of certified public accountants is authorized to charge for each renewal the sum of three (\$3.00) dollars, payable in advance, and which shall be paid on or before January 1st, 1927, and on or before January 1st of each succeeding year, which fee shall be paid to the treasurer of said board.

Section 5. That the fee herein provided shall be in addition to other fees now authorized by law.

Section 6. That all laws or parts of laws in conflict herewith be and the same are hereby repealed.

MAINE

CHAPTER 40

ACT creating Maine board of accountancy.

State board

Section 1. The Maine board of accountancy as heretofore established shall consist of three members, who shall be citizens and residents of the state, appointed annually by the governor, with the advice and consent of the council, for terms of three years, as the terms of the several members expire. Vacancies occurring during a term shall be filled for the unexpired term. Two members of said board shall be skilled in the art of accounting and shall have been actively engaged in the profession of a public accountant; they shall be holders of certificates issued under the provisions of the first ten sections of this chapter; the other member shall be a practising attorney in good standing in the courts of this state.

Quorum

Section 2. A majority of the board shall constitute a quorum for the transaction of its business. They shall annually elect a chairman and secretary. They may have and use a common seal and make such rules, by-laws and regulations, not inconsistent with law, as they shall deem necessary to improve and promote the science and art of accounting, and to carry out the purposes and enforce the provisions of sections one to ten, both inclusive, of this chapter. The board shall promote the standard of general education; the standard of special education in the science and art of accounting; the standard of moral character and general public experience as prescribed in said sections, in all examinations conducted hereunder. The secretary shall keep proper records of the doings of the board, and of his receipts and expenditures, and of all certificates issued and applications received by the board.

Rules and regulations

Duties

Use of title
"C. P. A."

Section 3. Any person who shall have received from the board a certificate of his qualifications to practise as a public accountant, as hereinafter provided, shall be styled and known as a certified public accountant, and no other person shall assume such title or use the abbreviation C. P. A. or any other words, letters or figures to indicate that the person using the same is such certified public accountant.

Examinations

Section 4. (Laws of Maine 1919, Ch. 94.) At such times as the board may fix, it shall hold meetings for the examination of applicants for certificates and shall give notice thereof by publica-

tion in a daily newspaper in each of the cities of Portland, Lewiston, Bangor and Augusta, stating the time and place of such meetings, not less than twenty days prior to the date thereof. An exact copy of the examination questions shall be filed with the state librarian for public reference within thirty days after date of examination. At such meetings the board shall conduct examinations of applicants who have been residents of the state at least one year prior thereto, and of certified public accountants of any other state or foreign government which extends similar privileges to certified public accountants of this state, and who have paid the required fee. To those who have shown the required proficiency in the theory of accounts, practical accounting, auditing, business systems and commercial law, and such other subjects as it deems necessary, and whom they believe to be of such character and fitness as to qualify them to act as public accountants, they shall issue a certificate over the signatures of the board and under its seal that the applicant is entitled to practise as a certified public accountant in accordance with the provisions of sections one to ten, both inclusive, of this chapter.

Who may be certified

Section 5. The board may, in its discretion, waive the examination and the payment of fees and may issue a certificate for certified public accountant to any person possessing the qualifications mentioned in the preceding section who is the holder of a certified public accountant's certificate issued under the laws of another state or foreign government which extends similar privileges to certified public accountants of this state, provided the requirements in the state or foreign government which has granted it to the applicant are, in the opinion of the board, equivalent to those herein provided.

Waiver

Certificates from other states

Section 6. Each applicant for examination shall pay to the secretary of the board a fee of twenty-five dollars at the time of filing his application and no other fees or costs shall be required to be paid by him. If the applicant fails to pass the examination the fee shall not be returned to him, but he shall be entitled to take another examination after one year at any advertised meeting at which there are to be other applicants for examination. The fee shall be paid by every person to whom a certificate for a certified public accountant is issued by the board, except that where reciprocal certificates are issued the fees required shall not be less than nor more than the fees charged to certified public accountants of this state for similar privileges.

Fees

**Revocation
of
certificates**

Section 7. The board may revoke any certificate issued by it upon proof of bad moral character, dishonesty, conviction of crime, incompetency or unprofessional conduct; provided, however that a written notice shall have been mailed to the holder of such a certificate at least twenty days before any hearing thereon, stating the cause for such contemplated action and appointing a time and place for a hearing thereon before the board. Upon the revocation of any certificate it shall be surrendered to the board by the holder.

**Filing of
certificates**

Section 8. Upon the granting of any certificate for a certified public accountant by the board the secretary shall immediately file in the office of the secretary of state a certificate showing the name, residence and post-office address of the person to whom the certificate is issued, together with the date thereof and such other information as the board may deem advisable. The certificate so filed shall be open to inspection by all persons at all reasonable times.

**Violations
and penalties**

Section 9. Whoever shall advertise or issue any sign, card, or other indication designating himself as a certified public accountant, or shall assume the title of a certified public accountant, or use the abbreviation C. P. A., or any other words, letters, or figures to represent that he is a certified public accountant, or shall practise as such without having received a certificate in accordance with the provisions of the eight preceding sections of this chapter, or whoever shall issue any such sign, card or other indication or assume such title or abbreviation after any certificate authorizing such use by him has been revoked or continue to practise as a certified public accountant shall upon conviction be punished by a fine not exceeding five hundred dollars.

**Reports of
board**

Section 10. The board shall annually make a report to the governor and council showing its receipts and disbursements in detail, the names of persons to whom certificates have been issued, and the names of persons whose certificates have been revoked with the reasons therefor, during each fiscal year ending on the thirtieth day of June.

MARYLAND

ARTICLE 75-A of the annotated code of Maryland, title "public accountant" (as amended by chapter 585 of the acts of the general assembly of Maryland of 1924—effective June 1, 1924).

1. Any citizen of the United States, or person who has duly declared his intention of becoming such citizen, residing or having a place for the regular transaction of business in the state of Maryland, being over the age of 21 years, and of good moral character, and who shall have received from the governor of the state of Maryland a certificate of his qualification to practise as a certified public accountant, as hereinafter provided, shall be styled and known as a certified public accountant, and shall be entitled to use the abbreviation "C. P. A.," and a firm or partnership may practise as certified public accountants under any individual or firm name and may use the abbreviation "C. P. A." if each of the members thereof is the holder of a certified public accountant certificate heretofore or hereafter issued by the governor of Maryland, or if any member thereof is the holder of a certified public accountant certificate heretofore issued by the governor of Maryland and is actually engaged in the public practice of accounting in this state on January 1, 1924, under the individual or firm name so used or to be used, and an individual may practise as a certified public accountant under a firm name and may use the abbreviation "C. P. A." if he is the holder of a certified public accountant certificate heretofore issued by the governor of Maryland and is actually engaged in the public practice of accounting in this state on January 1, 1924, under the firm name so used or to be used, and no other person, firm or corporation shall assume the title of certified public accountant or use the abbreviation "C. P. A.," or any other words, letters or figures to indicate that the person so using the same is a certified public accountant, or use such title or the abbreviation thereof followed by the name or abbreviation of any state of the United States, or the District of Columbia, or any territory or dependency of the United States, or any foreign country or nation by or under the authority of which such person may have directly or indirectly obtained the right to use the title of certified public accountant or the abbreviation "C. P. A." in such state, district, territory, dependency, country or nation, or use such title or abbreviation thereof followed by any other initials, words or names whatsoever. Provided that nothing

Use of title
"C. P. A."

in this act shall prohibit any certified public accountant or public accountant, or firm of certified public accountants or firm of public accountants, certified or registered, or hereafter certified or registered under this article, from employing public accountants or certified public accountants of any other state of the United States, or the District of Columbia or any territory or dependency of the United States, or any foreign country or nation, nor shall anything in this article prohibit any such certified public accountant or public accountant, or firm of certified public accountants or firm of public accountants, certified or registered, under this act, or hereafter certified or registered under this act, from holding out to the public the names of such employees with the letters "C.P.A." following the same, provided there shall also follow such letters the name or the generally recognized abbreviation of the name of the state, district, territory, dependency, country or nation from which such certified public accountant received his certificate.

Board of
examiners

2. The governor shall, within sixty days after the enactment of this article, appoint a board of five examiners for the examination of persons applying for certificates thereunder, who shall hold office until their successors are appointed and qualify, three of said examiners shall be certified public accountants, to be selected by the governor from resident certified public accountants of this state, one of which said three examiners shall hold office for the term of one year, one for the term of two years, and one for the term of three years, and upon the expiration of the term of each examiner, and of each succeeding term, an examiner shall be appointed by the governor for the term of three years, selected by the governor from resident certified public accountants of this state. The other two members of said board of examiners shall consist of one attorney-at-law (who is not also a certified public accountant), residing, practising, and in good standing in the courts of the state of Maryland, and the other an economist, a resident of the state of Maryland, appointed from a list of three names submitted by the president of the John Hopkins university of Baltimore city, each of whom shall hold office for the term of two years, and upon the expiration of each of said terms, and each succeeding term, their successors shall be appointed for a like term, such successors to be practising attorneys and economists as hereinbefore provided; and in event of a vacancy occurring in said board, the governor shall in like manner appoint such qualified person or persons to fill out the unexpired term or terms created by

such vacancy or vacancies. The governor may remove any member of the board for a sufficient cause, provided written notice containing charges and specifications shall have been given to said member and after he has had a reasonable opportunity for a hearing thereon.

3. Examinations of persons applying under this article for certificates as certified public accountants as to their proficiency in the theory of accounts, practical accounting, auditing, commercial law, and principles of economics, shall be held at least once every year, and be conducted according to such rules and regulations as the said board of examiners may adopt for the purpose. The questions propounded at said examination shall be submitted to the entire board before being adopted, and shall be certified by the said board as a reasonable and fair test of the candidate's qualifications, and as reasonably susceptible of answer or solution in the time allowed. Each subject shall be marked separately, and every applicant shall be required to obtain a mark of seventy-five (75) per cent. in each subject upon which he is examined. The examination papers shall be preserved for ninety days after each applicant shall have been informed of his marks, and every person taking said examination shall be entitled to notice of his mark in each subject and shall have access to his examination papers during said time upon application to the board. If any such applicant is a member of the bar of the state of Maryland in good standing at the time of taking the certified public accountant examinations, he shall be absolved from the requirements of an examination in the subject of commercial law. If any applicant shall have failed to pass the examination in all of the five subjects aforesaid, but shall have met the requirements of this article in any three or more of the subjects, he shall be excused from subsequent examinations in those subjects. All persons who shall pass the examinations in all of the subjects aforesaid shall be recommended by the board to the governor, and to all such persons the governor shall issue the certificate mentioned in the first section of this article.

Examinations

Commercial
law
examination

4. The board of examiners shall charge for examination and issuance of certificate as certified public accountant such fee, not to exceed twenty-five dollars (\$25.00), as may be necessary to meet the actual expenses of such examination and the issuance of such certificate, except that for the first examination for certified public accountant of any registrant under section 7 of this article, the

Fees

board of examiners shall charge a fee of ten dollars (\$10.00), and the board of examiners shall charge for registration and issuance of certificate as public accountant, such fee, not to exceed twenty-five dollars (\$25.00), as may be necessary to meet the actual expenses of such registration and the issuance of such certificates. The governor may revoke any certificate issued under the provisions of this article or any previously existing law, for sufficient cause; provided written notice containing charges and specifications shall have been given to the holder of such certificate and after he has had a reasonable opportunity for a hearing thereon.

Revocation
of
certificate

5. No applicant for examination under this article shall be qualified for the same unless such applicant shall submit to the board of examiners satisfactory evidence of possessing a high school education, or its equivalent, and shall have graduated from a school of accountancy having at least a two years' course, or have had practical experience in public accounting for at least two years, except that any registrant in accordance with the provisions of section 7 of this article shall be permitted to take said examination provided such registrant shall have had at least five years' continuous experience in public accounting or auditing, as defined in section 7 of this article, at least one year of which must have been after June 1, 1924. This section shall not apply to any examination held under this law of any person who, prior to January 1, 1916, shall have applied for permission and shall have been permitted to take an examination under the law then existing, nor of any person who was a graduate of or enrolled as a student prior to January, 1916, of any school of accountancy, provided that said person shall have registered with the board of examiners on or before July 1, 1916.

Require-
ments for
applicants

6. Any citizen of the United States or person who has duly declared his intention of becoming such citizen, over the age of 21 years, who holds a valid and unrevoked certificate as a certified public accountant, or the equivalent thereof, issued by or under the authority of any state of the United States, or the District of Columbia, or any territory of the United States, or by or under the authority of a foreign nation, showing that the holder thereof has complied with the laws of such state, district, territory, or nation, who intends to establish an office and to practise the profession of accountancy in the state of Maryland, shall present such certificate or its equivalent to the board of examiners of public accountants of this state, accompanied by a written application in

Certificates
from other
states

form to be prescribed by the said board, with such information as said board may require as to the character and qualification of such applicant, and shall pay the said board the fee usually charged for examination, and if the said board shall be satisfied that the standing of said applicant and the requirements for a certificate as a certified public accountant of the state, district, territory, or nation issuing the same are substantially equivalent to those established by the laws of this state, the said board may, in its discretion, register said certificate in a book to be provided by the said board for said purposes, and shall recommend to the governor the issuance to such applicant of a special certificate of registration designating the state, district, territory, or nation issuing the original certificate to said applicant, which special certificate of registration, when issued by the governor, shall entitle the holder to practise as a certified public accountant, and use the abbreviation "C. P. A." in this state; provided, however, that no such special certificate shall be issued unless the state, district, territory, or nation issuing the original certificate extends similar privileges to the certified public accountants of the state of Maryland.

7. Any citizen of the United States, or person who has duly declared his intention of becoming such citizen, over the age of 21 years, and of good, moral character, who on January 1, 1924, shall have a place for the regular transaction of business in the state of Maryland as a practitioner of public accounting or auditing, and whose time during the regular business hours of the day is wholly or partly devoted to such practice, or who shall be a member of a firm or partnership or officer of a corporation so practising, shall be entitled to register with the state board of examiners of public accountants on or before Jan. 1, 1925, and each person who shall so register shall receive from the state board of examiners a certificate of permission to practise as a public accountant, and shall be styled and known as a public accountant, but shall not be entitled to use any other words, letters or designation descriptive of such title, and no other person, firm or corporation shall assume the title of public accountant, or any abbreviation thereof whatsoever, or any other words, letters or figures to indicate that the person so using the same is a public accountant, except that a firm or partnership engaged in practice in this state on January 1, 1924, may register as a firm and may practise as public accountants under any individual or firm name; and, from time to time in the event of the death or retirement of a member or members, the remaining

Who may be
certified

member or members, either alone or in combination with any person or persons holding certificates as certified public accountant or as public accountant issued under the provisions of this article, may continue to practise and to use such registered firm or partnership name, and in determining who were practitioners of public accounting or auditing on January 1, 1924, the state board of examiners of public accountants shall include any citizen of the United States or person who has duly declared his intention of becoming such citizen, over the age of 21 years, of good moral character, and who has been employed by a practising certified public accountant or practising public accountant for two years immediately preceding January 1, 1924, in a position of not less than a grade of accountant-in-charge, or who being also a resident of the state of Maryland shall have been employed by the bureau of internal revenue of the treasury department of the United States government, in a position of not less than that of internal revenue agent or inspector, or in a similar position involving exclusively accounting work, for two years immediately preceding January 1, 1924, or who on January 1, 1924, shall have been employed by the state of Maryland as auditor, accountant, and/or insurance examiner in charge of accounting work, or who for two years immediately preceding such date has continuously served or been engaged in more than one of these capacities, including practice as an individual or as a member of a firm or partnership engaged in practice as a public accountant.

Not permitted
to practise
unless
certified

8. No person shall hereafter be permitted to practise or hold himself out to the public as an accountant or auditor either by using or subscribing his own name or the name of any other person or firm, unless and until he shall have received from the governor of Maryland a certificate as certified public accountant, or unless and until he shall have received from the state board of examiners of public accountants a certificate as public accountant, and no corporation shall hereafter be permitted to practise or hold itself out to the public as an accountant or auditor; provided, however, that nothing in this article shall be construed as altering, abridging or in any way affecting the rights or powers heretofore granted any corporation by special act of the legislature of this state.

Employment
of
accountants
and auditors

9. Nothing contained in this article shall be construed to prevent any person from serving as an accountant or auditor in the employ or under the supervision of any certified public accountant of this state or in the employ or under the supervision of any

public accountant of this state who has been certified or registered, respectively, under the provisions of this article, and nothing contained in this article shall be construed to prevent any accountant of any other state of the United States, or the District of Columbia, or any territory or dependency of the United States, or any foreign country or nation from accepting employment as an accountant in any case which may involve the work of such accountant anywhere within this state, provided that this section shall not be construed as permitting such accountant to establish an office for the practice of public accounting or auditing in this state without first complying with the other requirements of this article.

10. Nothing contained in this article shall be construed as applying to or in any way regulating the practice as tax advisors of persons, firms or corporations so holding themselves out to the public.

Tax advisors

11. Except by express permission of the person employing him, or of the heirs, personal representatives or successors of such person, a certified public accountant, or public accountant, or person employed by a certified public accountant or public accountant shall not be required to, and shall not voluntarily, disclose or divulge the contents of any communication made to him by any person employing him to examine, audit or report on any books, records or accounts, nor divulge any information derived from such books, records or accounts in rendering professional service. Provided that nothing in this section shall be taken or construed as modifying, changing or affecting the criminal laws of this state or the bankruptcy laws.

Confidential communications

12. Any person who shall violate any of the provisions of this article shall be deemed guilty of a misdemeanor, and upon conviction thereof in any court having criminal jurisdiction shall be fined not less than fifty dollars nor more than two hundred dollars, or be confined not more than six months in the county jail, or if a conviction takes place in Baltimore city, in the Baltimore city jail, in the discretion of the court; and the board of examiners may enlist the services of the attorney general of the state of Maryland, or his assistants in any matters pertaining to the enforcement of this article.

Violations and penalties

13. Nothing in this article shall be taken or construed to in any way invalidate or otherwise affect any certificate as certified public accountant held by any person issued under the authority of any previously existing law of the state of Maryland, and which certificate shall be in force and effect on June 1, 1924.

Certificates already in force

MASSACHUSETTS

AN ACT relative to the registration of public accountants. (Approved May 25, 1923.)

Be it enacted, etc., as follows:

Section 1. Chapter thirteen of the general laws is hereby amended by adding at the end thereof under the title, "board of registration of certified public accountants," the following three new sections:

State board

Section 33. There shall be a board of registration of certified public accountants, in the two following sections called the board, consisting of five persons, residents of the commonwealth, four of whom shall be registered certified public accountants and shall have been for seven years actively engaged in the practice of public accountancy, and one an attorney at law who has been for seven years actively engaged in the practice of law.

Members

No member of said board shall belong to the faculty of any school of accountancy or be financially interested in the management of any such school or similar institution. Upon the expiration of the term of a member thereof, his successor, qualified as aforesaid, shall be appointed by the governor, with the advice and consent of the council, for a term of five years.

Officers

Section 34. The members of the board shall hold meetings at such time as they shall determine and shall annually choose from their own number a chairman and a secretary.

Compensation

Section 35. There shall be paid by the commonwealth to the chairman and secretary a salary of one hundred and fifty dollars each and to each of the other members of the board a salary of one hundred and twenty-five dollars. Said compensation and any other expenses necessarily incurred by the board or any member thereof shall be paid by the commonwealth; provided, that such compensation and expenses shall not be in excess of the annual receipts for examination and registration paid to the commonwealth by the board.

Rules and records of board

Section 2. Chapter one hundred and twelve of the general laws is hereby amended by inserting after section eighty-seven under the title, "registration of certified public accountants," the following five new sections:

Section 87A. The board of registration of certified public accountants, in this and the four following sections called the board, shall examine applicants for registration as certified public

accountants. It shall make such rules and regulations as are necessary for the proper conduct of its duties. The board shall keep a full record of its proceedings and a registry of all persons registered by it, which shall be open to public inspection. A duplicate list shall also be open to inspection in the office of the state secretary. The board shall make an annual report.

Section 87B. The board shall examine any citizen of the United States resident in the commonwealth and not less than twenty-one years of age, who may apply for a certificate, shall investigate his character and fitness, and shall require the payment of a fee of twenty-five dollars. The fee for re-examination shall be fixed under regulations made by the board. Fees

Section 87C. Any applicant whom the board deems to have the necessary qualifications and professional ability shall be registered as a public accountant by the board and shall receive a certificate thereof signed by the chairman and secretary of the board. Who may be certified

Section 87D. A public accountant, registered under the provisions of the preceding section or corresponding provisions of earlier laws, may, if the certificate issued to him, under said provisions has not been suspended or revoked, style himself "certified public accountant." Use of title
"C. P. A."

Section 87E. No person, not registered under the provisions of section eighty-seven C or corresponding provisions of earlier laws, shall designate himself or hold himself out as a certified public accountant. No partnership unless all of its members are registered under said provisions, and no corporation, shall use the words "certified public accountant" in describing the partnership or corporation or the business thereof: provided, that any partnership or corporation may represent that a specified person registered under said provisions is a member of such partnership or is in the service of such partnership or corporation. Any violation of this section shall be punished by a fine of not more than five hundred dollars or by imprisonment for not more than six months, or both. Violations
and penalties

Section 3. Sections thirty-five to thirty-nine inclusive, of chapter ninety-three of the general laws, as amended by chapter three hundred and ninety-five of the acts of nineteen hundred and twenty-two, are hereby repealed.

Section 4. The initial appointments of the members of the board of registration of certified public accountants provided for by this act shall, as soon as may be after this act takes effect, be Appointments
to board

so made by the governor, with the advice and consent of the council, that the term of one member shall expire annually. All such initial appointees shall be qualified as provided in this act.

Section 5. All rules and regulations in effect at the time this act takes effect shall continue in full force until changed in accordance herewith.

MICHIGAN

AN ACT to establish the Michigan state board of accountancy, to grant the board the usual and necessary administrative powers, to define a public accountant, to define the status of a certified public accountant, to prescribe conditions under which firms and corporations may practise public accounting, to provide for the granting and issuing of certificates to accountants who qualify under the provisions of this act, to provide for revoking and cancelling certificates so issued, to provide an annual registration fee, to regulate the practice of public accounting, to prohibit the practice thereof by non-registered persons, to provide for the employment of non-registered persons, to provide a penalty for violations of its provisions, and to repeal all acts and parts of acts inconsistent with the provisions thereof. (Approved May 27, 1925.)

The people of the state of Michigan enact:

Section 1. Within sixty days after this act takes effect, the governor shall appoint four citizens of the United States who are residents of this state, who, together with himself as an ex-officio member, shall constitute and serve as the Michigan state board of accountancy, hereinafter called the board. Three members of the board first appointed shall be selected by the governor from certified public accountants holding certificates obtained in this state, who have been practising in the state for at least five years, one of whom shall be appointed for a term ending July one, nineteen hundred twenty-seven, one for a term ending July one, nineteen hundred twenty-eight, and one for a term ending July one, nineteen hundred thirty, and, upon the expiration of each of said terms and of each succeeding term, a member shall be appointed for a term of four years. Each successor to these three members shall be selected from certified public accountants holding certificates obtained in this state, who have been practising in this state for at least five years. One member of this board shall be a practising attorney, in good standing in the courts of the state, appointed in the first instance for a term ending July one, nineteen hundred twenty-nine and, upon the expiration of said term and of each succeeding term, a member shall be appointed for a term of four years, such successors to be practising attorneys in good standing as hereinbefore mentioned. Each member of the board shall receive a certificate of appointment from the governor and, before entering upon his duties, he shall file with the secretary of state the

Michigan
state board
of
accountancy
created

Removal of members

constitutional oath of office. Any member of the board may be removed by the governor for misconduct, incompetency, or neglect of duty, but only after he has had an opportunity to be heard in his own behalf. Any vacancy that may occur for any cause shall be filled by the governor for the unexpired term under the same conditions that govern regular appointments. Every member shall hold office until his successor is appointed and qualifies.

Powers

Section 2. The board, being charged with the responsibility for the administration of this act, shall have power to design and use a seal, compel the attendance of witnesses, administer oaths, take testimony and receive proofs concerning all matters within its jurisdiction. It shall formulate rules for its guidance, not inconsistent with the provisions of this act, and print the same for distribution. It may prescribe a standard of professional conduct and formulate reasonable rules defining unethical practice for public accountants; provided, however, that before they are officially printed, as provided for in section fourteen, a copy of the same and of any changes or amendments which may be thereafter proposed shall be mailed to every holder of a certificate issued under the provisions of this act at least sixty days prior to a date named, at which date an open hearing shall be held by the board for the purpose of receiving and considering objections to any of the suggested provisions. Every person practising as a public accountant in the state, as described in section eight, shall be governed and controlled by the rules and standards adopted by the board.

Standard of professional conduct**Officers**

Section 3. The board shall annually elect one of its accountant members as chairman, one as vice-chairman, and one as secretary-treasurer, while the lawyer member shall be designated as counsel. It shall make an annual report to the governor. It shall keep all applications filed, all documents under oath, a record of its proceedings, and shall maintain a register of the names and addresses of all persons applying for, and of those receiving, certificates under this act, any of which, or a certified copy thereof, shall be prima facie evidence of all matters covered by them.

Quorum

Section 4. Three members shall constitute a quorum at any meeting of the board for which a notice of three days has been given by the chairman or secretary. If less notice is given, four members must be present. Meetings, at which examinations will be given, shall be held at least twice each year. The times and places for holding said examinations shall be advertised at least three consecutive days in daily newspapers published in five

Meetings

different cities, at least thirty days prior to the dates of such examinations, and notices of the same shall be mailed to all certificate holders and to all applicants for certificates under this act. The board may require applicants to appear in person to answer questions or produce evidence to sustain facts which will determine whether the qualifications of the applicant are as prescribed by this act and the rules of the board.

Section 5. The board shall charge each applicant for any certificate a fee of twenty-five dollars. The fee shall accompany the application, which must be made on a blank provided by the board. All money received by the board shall be paid into the state treasury. The members of the board shall receive as compensation for their services ten dollars per day for the time actually spent, and the necessary expenses incurred in the discharge of their duties as such members. All bills for compensation and expenses shall be allowed in open meeting of the board and referred to the state officials for payment in the manner prescribed by law. All money paid into the state treasury in any year in excess of expenditures shall be noted in the budget required by the accounting system of the state.

Section 6. The board shall, in December of each year, issue a registration card to any holder of a C. P. A. certificate, or to any holder of a certificate of authority, which card shall be good until December 31st of the next succeeding year, charging therefor a fee of five dollars. A registration card shall also be issued to any firm or corporation which has complied with the provisions of section twelve or section thirteen, for which a fee of five dollars shall be charged. Interim registrations shall be issued to individuals, firms, and corporations who have complied with the provisions of this act within the year.

Section 7. The board shall, in January of each year, prepare a printed register which shall contain, following a copy of this act, an alphabetical list of the names, certificate numbers, business connections and addresses of all certified public accountants to whom such registration cards have been issued for that year, and an alphabetical list of the names of the firms of certified public accountants to whom such registration cards have been issued for that year, together with an alphabetical list of the names, certificate numbers, business connections and addresses of all holders of certificates of authority to whom such registration cards have been issued for that year, and an alphabetical list of the firms and cor-

porations practising public accounting to whom such registration cards have been issued for that year. A register shall be mailed to every person listed therein, to every county clerk, probate clerk, circuit court clerk and bank cashier in the state, and to such other person or concerns as the board, in its discretion, may determine is for the public welfare. This register shall contain at the beginning the following statement: "Any person receiving this list is requested to send to the secretary of the Michigan state board of accountancy the name and address of any person, firm, or corporation, known to be practising as a public accountant whose name does not appear in this register. The names of persons giving such information will not be divulged." Failure to secure a registration card for any year shall not disqualify the holder of a certificate from securing a card for a future year, if the certificate holder decides to return to the practice of public accounting. When registration cards are secured after the annual register is issued, such individuals shall not be subject to the penalty prescribed in section twenty-four or section twenty-five, provided the cards were secured prior to charges having been preferred against them that they were practising unlawfully.

Who deemed
public
accountants

Section 8. A person, either individually, or as a member of a firm or corporation, shall be deemed to be in practice as a public accountant, within the meaning and intent of this act:

(a) who holds himself or herself out to the public in any manner as one who is skilled in the knowledge, science, and practice of accounting, and as qualified to render professional service therein as a public accountant for compensation; or

(b) who maintains an office for the transaction of business as a public accountant, or who, except as an employee of a public accountant, practises accounting, as distinguished from book-keeping for more than one employer; or

(c) who offers to prospective clients to perform for compensation, or who does perform on behalf of clients for compensation, professional services that involve or require an audit or verification of financial transactions and accounting records; or

(d) who prepares or certifies for clients, reports of audits, balance-sheets, and other financial, accounting and related schedules, exhibits, statements, or reports which are to be used for publication or for credit purposes, or are to be filed with a court of law or with any other governmental agency, or for any other purpose; or

(e) who, in general or as an incident to such work, renders professional assistance to clients for compensation in any or all matters relating to accounting procedure and the recording, presentation and certification of financial facts.

Section 9. No person may legally practise in this state as a certified public accountant or as a public accountant, either in his or her own name, under an assumed name, as a member of a firm, as an officer of a corporation, or as an employee, except as provided in section twenty-seven, unless he or she shall have been granted a certificate by the board and secured a registration card for the current year.

Illegal
practice

Section 10. Any person who has received from the board a certificate of his qualifications to practise as a certified public accountant, as hereinafter provided, shall be styled and known as a "certified public accountant" and no other person shall assume to use such title or the abbreviation "C. P. A." or any other word, words, letters, or figures to indicate that the person using the same is a certified public accountant. The terms "chartered accountant" and "certified accountant" and the abbreviation "C. A." are specifically prohibited as being prima-facie misleading to the public. Any person who has received from the board a certificate of authority, as hereinafter provided, shall be styled and known as a "public accountant" and no other person, other than a certified public accountant, shall assume to use such designation to indicate that such person is entitled to practise as a public accountant.

Title used

Section 11. All persons practising individually or under an assumed name, and all firms, and all corporations engaged in public accounting in the state of Michigan, at the date of the passage of this act, and intending to continue to so practise, must register with the board, before January one, nineteen hundred twenty-six, giving the names and addresses of every person practising as principal or under such assumed name, the names and addresses of every member of the firm, and the names and addresses of every officer of the corporation, together with the names and addresses of all persons in their employ in the state at that date who hold C. P. A. certificates. No charge shall be made for this registration.

Advance
registration

Section 12. Any firm, every member and resident manager of which is a certified public accountant, after registering the firm name with the board, may use the designation "certified public accountants" in connection with the firm name: provided, that whenever the firm name is so used, except in directory listings,

Firm
registration

the names of all members and managers thereof, resident in the state, shall be indicated and the names of members not resident in the state may be indicated if such members hold certificates issued by the board. When firms so registered secure annual registration cards, the name of the firm shall be listed in the annual register together with the names of the members and managers thereof, resident in the state, with the designation C. P. A. after each name, and the names of non-resident members who hold certificates issued by the board may also be listed. All other firms may use the designation "public accountants" in connection with the firm name, provided that whenever the firm name is so used, except in directory listings, the names of all members and managers thereof, resident of the state, shall be indicated if such members hold certificates issued by the board. When firms so registered secure annual registration cards, the name of the firm shall be listed in the annual register together with the names of the members and managers thereof, resident in the state, every certified public accountant being indicated by the initials C. P. A. and the names of non-resident members who hold certificates issued by the board may also be listed. An assumed name, in use prior to the passage of the act may be used the same as a firm name provided the individual persons practising as principal under that name hold certificates issued by the board and provided such persons have complied with the act number one hundred one of the public acts of nineteen hundred seven.

Corporations

Section 13. Any corporation, organized under the laws of this state, which was, under the authority of its articles of incorporation and in accordance with the laws of the state, practising public accounting, as described in section eight, in the state at the date of the passage of this act, may apply for a certificate of authority to practise public accounting and the board shall issue one in accordance with the provisions of this act. Such corporations may use the designation "public accountants" in connection with the corporate name: provided, that whenever the corporate name is so used, except in directory listings, the names of the president, secretary, and manager of its public accounting department shall be indicated, at least one of whom shall be a certified public accountant. When corporations so registered secure annual registration cards, the names of the corporations shall be listed in the annual register together with the names of the president, secretary and manager of its public accounting department, every certified public accountant being indicated by the initials "C. P. A."

Section 14. If and when the board shall have prescribed a standard of professional conduct or shall have formulated reasonable rules defining unethical practice for public accountants, the same shall be printed as part of the application blanks for both certificates and registration cards and every applicant for either a certificate or registration card shall subscribe to the same when making application. Before the board issues a certificate to any person under this act, such person shall file with the board the following oath or affirmation, which shall be taken before an officer authorized to administer oaths: "I do solemnly swear (or affirm) that I will support the constitution of the United States and the constitution of this state, and that I will faithfully perform and discharge the duties of a certified public accountant (or public accountant) to the best of my ability and in accordance with the law."

Rules
printed

Oath

Section 15. Applicants for a certificate as a certified public accountant, or for a certificate of authority, must be citizens of the United States, or persons who have declared their intention of becoming such, who reside within the state or who have an office for the regular transaction of business therein, who are over the age of twenty-one years and of good moral character. Applicants who have declared their intention of becoming citizens and who pass the examination shall be granted a certificate of authority valid, subject to the annual registration, for a period of six years from date of such declaration of intention. When evidence is furnished the board that citizenship is completed, the certificate of authority shall be cancelled by the board and a certificate as a certified public accountant issued therefor. If evidence is not furnished that citizenship is completed, the certificate of authority shall be revoked and cancelled. The board shall have power to extend the certificate of authority if a sufficient cause for delay is shown.

General
qualifications

Section 16. Applicants for a certificate as a certified public accountant must have completed at least a four year high school course of study or have received an equivalent education prior to the date of application, the value of equivalents offered to be determined by the board. Said applicants must have had at least four years' continuous practical experience in public accounting immediately preceding the date of application, the efficiency of the experience to be judged by the board. The board may accept evidence of sufficient technical education in accountancy in lieu

Educational
and
experience
requirements

of one year of public accounting experience, and the requirement as to continuous experience immediately preceding the date of application may be waived if the applicant has had six years of practical experience in public accounting, the last year of which immediately preceded the application.

Examination
subjects

Section 17. The board shall issue a certificate as a certified public accountant to each applicant who passes a satisfactory examination in theory of accounts, practical accounting, auditing, commercial law, economics and public finance, and in any other related subjects which the board may deem it advisable to give, provided the applicant has complied with the requirements of this act and the rules of the board.

Practical
experience

Section 18. Whenever the holder of a certificate of examination issued by the board under the provisions of section twenty-two has had at least two years' continuous practical experience in public accounting, the efficiency of which shall be judged by the board, an application may be filed accompanied by the regular fee, and, if a satisfactory examination is passed in practical accounting and public auditing, the board shall issue the applicant a certificate as a certified public accountant, provided the applicant has complied with the requirements of this act and the rules of the board.

Licenses of
other states

Section 19. The board may, in its discretion, issue a certificate as a certified public accountant to any applicant who holds a valid and unrevoked certificate as a certified public accountant issued by or under the authority of another state or political subdivision of the United States, or who holds a valid and unrevoked certificate as a chartered accountant issued by or under the authority of a foreign country, provided the applicant has complied with the requirements of this act and the rules of the board, and (a) the original certificate was secured as the result of an examination which in the judgment of the board was the equivalent of the standard established by it or (b) the holder has been maintaining an office for the practice of public accounting under the authority of such certificate for a period of ten years.

Certificates
of authority

Section 20. The board shall issue a certificate of authority to practise as a public accountant to each applicant before January one, nineteen hundred twenty-six, who furnishes satisfactory evidence that he or she was maintaining an office in the state for the practice of public accounting on his or her own account at the date of the passage of this act, and has been in continuous practice, during the whole or a portion of the regular business hours of each

day, as a public accountant in the state since that date, or, that he or she has been in responsible charge of accounting engagements as an employed member of the staff of a certified public accountant, or of a public accountant, or of a firm of public accountants, or of a corporation practising public accounting in the state, for a period of at least four years immediately prior to the passage of this act.

Section 21. The board shall require the same information from each applicant for a certificate of authority as it requires from an applicant for a certificate as a certified public accountant. Applications for certificates of authority shall comply with the requirements of this act and the rules of the board, in so far as they are applicable. No certificate of authority shall be granted after January one, nineteen hundred twenty-six, except, as provided in section fifteen, to persons who have passed an examination as a certified public accountant and who have not yet secured their full citizenship papers. Certificates of authority confer the legal right to practise as a public accountant but do not confer any added title or designation.

Information
required

Section 22. The board shall issue a certificate of examination to each applicant who successfully passes the prescribed examination in theory of accounts, cost accounting, commercial law, auditing, economics and public finance, and in any other related subjects which the board may deem it advisable to give, provided the applicant is a citizen of the United States, twenty-one years of age, a resident of the state, of good moral character, a graduate of a high school with a four year course of study or has received an equivalent education, and is either a graduate from a four year college or university course in business administration of a standard grade, or its equivalent, or has had four years of practical accounting experience of a character needed to qualify one to act as an internal auditor, the board to judge as to the educational and experience qualifications. Certificates of examination shall not confer any added title or designation but permit the holder to take the examination provided in section eighteen for a certificate as a certified public accountant when he or she has had at least two years' continuous practical experience in public accounting, the efficiency of which shall be judged by the board.

Certificates
of
examination

Section 23. Except by written permission of the client, or person, or firm, or corporation employing him, or the heirs, successors or personal representatives of such employer, a certified public accountant, or a public accountant, or a person employed by

Confidential
information

a certified public accountant or by a public accountant shall not be required to, and shall not voluntarily, disclose or divulge information of which he or she may have become possessed relative to and in connection with any examination of, audit of, or report on, any books, records, or accounts which he or she may be employed to make. The information derived from or as the result of such professional service shall be deemed confidential and privileged: provided, however, that nothing in this paragraph shall be taken or construed as modifying, changing or affecting the criminal or bankruptcy laws of this state or of the United States.

Section 24. Any person:

Who may be
guilty of
misdemeanor

(a) who shall use any other term than certified public accountant, or the abbreviation C. P. A., to indicate that he or she is a public accountant with a specially granted title; or

(b) who shall announce by printed or written statement that he or she holds membership in any society, association or organization of professional public accountants, unless such society, association or organization has been officially recognized by the board; or

(c) who shall, when practising under an assumed name, or as a member of a firm, or as an officer of a corporation, announce, either in writing or by printing, that the assumed name, firm, or corporation is practising as a certified public accountant; or

(d) who shall, as a member of a firm announce, either in writing or by printing, that the firm is practising as "certified public accountants" unless all members of the firm and the resident manager are holders of valid and unrevoked certificates issued by or under the authority of a state or other political subdivision of the United States, and the firm is registered with the board; or

(e) who shall, as a member of a firm, announce, either in writing or by printing, that the firm is practising as "public accountants" unless all members and managers of the firm, resident in the state, are holders of certificates granted by the board and the firm is registered with the board; or

(f) who shall, as an officer of a corporation, permit it to practise as a public accountant unless it is registered with the board, has received a certificate of authority from the board, and either the president, secretary, or manager of its public accounting department is the holder of a certificate as a certified public accountant; or

(g) who holds himself or herself out to the public as a certified public accountant or who assumes to practise as a certified public

accountant unless he or she has received a certificate as such from the board; or

(h) who holds himself or herself out to the public as a public accountant or who assumes to practise as a public accountant unless he or she has received a certificate of authority from the board; or

(i) who shall practise as a certified public accountant or as a public accountant after his or her certificate has been revoked; or

(j) who shall practise as an individual, or, as a member of a firm or as an officer of a corporation, practise or permit the firm or corporation to practise as a certified public accountant or as a public accountant unless a registration card has been secured for the current year; or

(k) who shall sell, buy, give or obtain an alleged certificate as a certified public accountant, or a certificate of authority, or a registration card in any other manner than is provided for by this act; or

(l) who shall attempt to practise as a certified public accountant or as a public accountant under guise of a certificate not issued by this board, or under cover of a certificate obtained illegally or fraudulently; or

(m) who shall certify to any false or fraudulent report, certificate, exhibit, schedule or statement; or

(n) who shall attempt by any subterfuge to evade the provisions of this act while practising as a public accountant; or

(o) who shall, as an individual, or as a member of a firm or as an officer of a corporation, permit to be announced by printed or written statement that any report, certificate, exhibit, schedule or statement had been prepared by a certified public accountant or by a public accountant when the person who prepared the same was not such certified public accountant or public accountant, shall be deemed guilty of a misdemeanor, the penalty for which shall be not more than five hundred dollars for each offense, or imprisonment in the county jail for a period not exceeding six months, or by both such fine and imprisonment at the discretion of the court.

Penalty

Section 25. Any certificate or registration card issued by the board may be revoked and cancelled, or suspended for a definite period, or the holder thereof may be officially censured by the board after a hearing, for reasons indicated in section twenty-four, or for unprofessional conduct, or for unethical practice, or for any other

**Revocation
of
certificate**

sufficient cause, or it may direct that action at court be brought or it may both revoke, suspend, or censure and institute action at court: provided, that written notice shall have been mailed to the holder of such certificate, at his last known address, at least thirty days before any hearing thereon, stating the charge which has been preferred and appointing a time for a hearing by the board. At all such hearings, the attorney general of the state, or an assistant designated by him, shall be present and represent the interest of the public. The certificate holder shall have the right to be represented by counsel. No action of said board, however, revoking, cancelling or suspending such certificate or registration card, for any offense other than those enumerated in section twenty-four upon which there shall have been a prior conviction, unappealed from, shall be operative if the person, firm or corporation whose certificate or registration card shall have been so revoked, cancelled or suspended, shall file in the chancery division of the circuit court of the county of which such person, firm or corporation is a resident or maintains an office, a petition setting forth the facts of such revoking, cancelling or suspending of such certificate or registration card, and praying the court for a hearing on the charges preferred against the holder of such certificate or registration card, and praying for an order to show cause directed against said board requiring said board to appear and plead to said petition in the same manner as in actions in chancery in circuit courts. Said matters shall thereupon proceed to hearing and decree the same as in actions in chancery in circuit courts. The burden of proof of such charges shall be upon said board. At all such hearings the attorney general of the state, or an assistant designated by him, shall be present and represent the interests of the public. The costs of the prevailing party may be taxed as the court may deem just and right under the circumstances. If the prayer of such petition be granted, the action and order of said board revoking, cancelling or suspending such certificate or registration card, shall thereupon become void and of no effect. If the prayer of said petition be denied, the action and order of said board shall become valid, effective and enforceable.

Presumptive
evidence

Section 26. The display of a card, sign, advertisement, a directory listing, or the issuance of a letterhead bearing a person's name as a practitioner of public accounting as described in section eight, shall be presumptive evidence by implication, in any hearing or prosecution against such person, that the person whose name is

so carried thereon is responsible for the same and that he or she is announcing himself or herself thereby to practise public accounting. In any hearing or prosecution under this act, the proof of a single act prohibited by law shall be sufficient without proving a general course of conduct.

Section 27. Nothing contained in this act shall apply to holders of state-granted C. P. A. certificates from other states who may be temporarily in this state on professional business incident to their regular practice in the states of their domicile, but with neither residence nor office in this state. Nothing contained in this act shall prevent the employment by a certified public accountant or by a public accountant, or by a firm or corporation furnishing public accounting services as principal, of non-registered persons to serve as accountants in various capacities as needed: provided, that such non-registered persons work under the control and supervision of certified public accountants or accountants with certificates of authority: and provided further, that they do not issue any statements or reports over their own names, except such office reports as are customary: and provided further, that such non-registered persons are not in any manner held out to the public as public accountants as described in section eight. Exemption

Nothing contained in this act shall imply that a practising attorney, who, in connection with his professional work, prepares reports or presents records of a form or character usually prepared and presented by accountants, has become a public accountant within the meaning of this act as described in section eight. Nothing contained in this act shall apply to any person who may be employed by more than one person, firm or corporation, for the purpose of keeping books, making trial balances or statements, and preparing audits or reports, provided such audits or reports are not used or issued by the employers as having been prepared by a public accountant.

Section 28. The provisions of this act shall not be construed to invalidate any certificates heretofore granted under act number ninety-two of the public acts of nineteen hundred five or act number two hundred forty of the public acts of nineteen hundred thirteen, or as amended by an act approved May second, nineteen hundred seventeen, except that all certificates of registration and of authority issued under the provisions of those acts are hereby revoked and cancelled and the board is directed to issue to the Previous certificates

holders thereof, in exchange therefor, certificates as certified public accountants, making no charge therefor.

Saving clause Section 29. Should the courts of this state or the United States declare any provision of this act unconstitutional, illegal or void, such decision shall not invalidate any other provision of this act.

Emergency budget Section 29-a. During the fiscal years nineteen hundred twenty-five-nineteen hundred twenty-six and nineteen hundred twenty-six-nineteen hundred twenty-seven the state administrative board may authorize the state board of accountancy to expend, in connection with the issuance of certificates of authority, registration cards and the annual register amounts audited by them not in excess of the receipts from such certificates and registration cards.

Repeal Section 30. All acts or parts of acts in any wise inconsistent herewith are hereby repealed.

MINNESOTA

AN ACT creating a state board of accountancy, prescribing its powers and duties, providing for examinations and issuing of certificates to qualified public accountants, and providing penalties for violations of the provisions of this act. (Approved April 22, 1909.)

Be it enacted by the legislature of the state of Minnesota:

Section 1. That a board of examiners, to be known as the state board of accountancy, is hereby created to carry out the purposes and enforce the provisions of this act. Said board shall consist of three citizens of this state to be appointed by the governor, and who, with the exception of the members first to be appointed, shall be the holders of certificates issued under the provisions of this act and shall hold office for the term of three years and until their successors are appointed and qualified.

State board
of
accountancy
to be
appointed by
the governor

The first members of said board shall be skilled in the practice of accounting and shall for a period of three years next preceding their appointment have been actively engaged therein, in this state, on their own account, and shall hold office one for the term of three years from the date of his appointment, one for the term of two years, and one for the term of one year. The term of office of each is to be designated by the governor in his appointment, and upon expiration of each term of its members the governor shall appoint one member of said board as herein provided for a term of three years.

Section 2. The persons appointed as members of this board shall meet and organize within thirty (30) days after their appointment. A majority of said board shall constitute a quorum. They shall appoint one of their number as chairman, another as secretary, and another as treasurer, or may appoint one member to serve as both secretary and treasurer, and said officers shall hold their respective offices for a term of one year and until their successors are elected. In the absence of the chairman or secretary, the board may appoint a chairman pro tem. or a temporary secretary. The affirmative vote of two members of said board shall be considered as the action of said board.

Organization
and duties

Said board shall enforce the standard of special education in the science and art of accounting; the standard of moral character and general public experience as prescribed in this act in all examinations conducted hereunder.

Examinations

The board shall make rules and regulations for the conduct of applicants' examinations and the character of such examinations and scope, the method and time of filing applications for examinations and their form and contents and all other rules and regulations proper to carry into effect the purposes of this act.

All such examinations shall be conducted by said state board of accountancy. The time and place of holding examinations shall be advertised for not less than three (3) consecutive days in one daily newspaper, published in each of the counties where the examinations are to be held, and not less than twenty (20) days prior to the date of each examination. The examinations shall take place as often as may be convenient in the opinion of the board, but not less than once in each year. Said board shall keep records of their proceedings, and accurate list of all applications made, certificates issued, certificates registered and certificates revoked, and shall keep proper financial records in which there shall be entered a complete statement of the cash receipts and disbursements of said board.

Said board shall adopt and provide itself with a seal with a band inscribed, "Certified public accountant, state of Minnesota," with the coat of arms of Minnesota in the center, and said seal shall be affixed to each certificate issued or registered under this act.

All records of said board shall be open to the inspection of the public at the office of the secretary of the board.

Said board shall report annually to the governor in the month of December, as follows:

- (a) its receipts and disbursements;
- (b) names of persons to whom certificates have been issued;
- (c) names of all persons whose certificates have been revoked;
- (d) recommendations, if any, for new legislation, and such other matters as the board may deem proper.

Certificates
to be granted;
to whom

Section 3. No certificates for a certified public accountant shall be granted to any persons other than a citizen of the United States, or person who has, in good faith, duly declared his intention of becoming such citizen, and is over the age of twenty-one (21) years and of good moral character and (except under the provisions of section 4 of this act) who shall have successfully passed an examination in accounting, auditing, and commercial law affecting accountancy, and on such other subjects as the board may deem advisable.

No person shall be permitted to take such examination unless he shall for a period of at least three (3) years have been employed in the office of a public accountant as an assistant or shall have been practising as a public accountant on his own account and who shall not at least three (3) years prior to the date of said examination have successfully passed an examination in such subjects as may be prescribed by the board, touching his general education, qualifications and fitness for an accountant; provided, that said board may, in its discretion, waive the preliminary examination of an applicant who, in its opinion, has had a general education equivalent to that which may be prescribed by its rules and is otherwise qualified.

Section 4. Said state board of accountancy may, in its discretion, waive the examination of, and may issue a certificate for certified public accountant, to any person possessing the qualifications mentioned in section 3 of this act, who,

Board may
waive
examination

(1) is the holder of a C. P. A. certificate, issued under the laws of another state which extends similar privileges to certified public accountants of this state, provided the requirements for said degree in the state which has granted it to the applicant are, in the opinion of the state board of accountancy, equivalent to those herein provided; or who,

(2) shall be the holder of a degree of certified public accountant or chartered accountant, or the equivalent thereof, issued in any foreign government, provided that the requirements for such degree are equivalent to those herein provided for the degree of certified public accountant; or who,

(3) for more than three (3) consecutive years next preceding the passage of this act shall have been practising in this state on his own account as a public accountant, and who shall apply in writing to the board for such certificate within six months after the passage of this act.

Section 5. Any person who has received from said state board of accountancy a certificate of his qualifications to practise as a public accountant as herein provided shall be known and styled a "certified public accountant," and no other person, and no partnership, all of its members who have not received such certificate, and no corporation shall assume such title or the title of "certified accountant," or the abbreviations, "C. P. A.," or any other words, letters or abbreviations tending to indicate that the person, firm or corporation so using the same is a certified public accountant.

Qualification

Fee for
examination
and
certificate

Section 6. Said state board of accountancy shall charge for each examination and certificate provided for in this act a fee of twenty-five (\$25.00) dollars to meet the expenses of such examination. This fee shall be payable by the applicant at the time of making his initial application and shall not be refunded, and no additional charge shall be made for the issuance of a certificate to any applicant.

From the fees collected under this act, the board shall pay all expenses incident to the examinations, hearings, and expenses of issuing certificates, traveling expenses of the members of the board while performing their duties under this act; provided, that no expense incurred under this act shall be a charge against the funds of this state.

The members of said state board of accountancy shall be paid all necessary expenses incurred in the performance of the duties under this act.

Revocation
of
certificate

Section 7. Said state board of accountancy may revoke any certificate issued under this act or may cancel the registration of any certificate issued under this act for bad moral character, dishonesty, conviction of crime, incompetency or unprofessional conduct; provided, a written notice shall have been mailed to the holder of such certificate at least twenty (20) days before any hearing thereon, stating the cause for such contemplated action and appointing a time and place for a hearing thereon by the state board of accountancy, and further provided, that no certificate issued under this act shall be revoked until an opportunity for such hearing shall have been afforded.

At all such hearings, the attorney general of this state, or one of his assistants designated by him, shall attend.

Certificates issued or registered under this act shall be surrendered to the state board of accountancy on their revocation by said board.

Section 8. Any violation shall be a "gross misdemeanor."

Section 9. This act shall take effect and be in force from and after its passage.

MISSISSIPPI

CHAPTER 146

(Effective November 1, 1930.)

5743. Any citizen of the United States, residing or having a place for the regular transaction of business in the state of Mississippi being over the age of twenty-one years, of good moral character, and who shall have received from the state board of public accountancy a certificate of his qualifications to practise as a public accountant as hereinafter provided, shall be styled or known as a certified public accountant, and it shall be unlawful for any other person or persons to assume such title or use any letters, abbreviations or words to indicate that such a one using same is a certified public accountant.

Public accountants; to regulate practice of

5744. There shall be a board of public accountancy, consisting of three members, who are qualified electors of this state; their duties, powers and qualifications are herein prescribed by this chapter. At the expiration of the term of office of any member of the Mississippi state board of public accountancy holding such office under an appointment made by the governor by virtue of the provisions of section 2 of chapter 211, laws of 1920, the governor shall appoint his successor to serve for a term of four years and until such time as his successor may be appointed and qualified. All vacancies created by death, resignation or otherwise shall be filled by the appointment by the governor for the unexpired term. The members of the Mississippi state board of public accountancy shall be appointed from holders of certificates issued under and by virtue of the provisions of chapter 211, laws of 1920, or of this chapter; and, in addition to the other requirements as to qualifications prescribed by this chapter, no person shall be appointed as a member of said board of accountancy, after the fifteenth day of January, 1932, who is not a member of Mississippi society of certified public accountants (which is an organization incorporated under the laws of this state to promote the profession of accountancy and to encourage and maintain high standards of ethics of such profession). Not earlier than the 24th day of January, and not later than the first day of February, of each year, beginning with 1932, the secretary of said society shall file with the governor a list of the members of such society. If the list be not so filed or if the society cease to exist or function, the governor may name

Board of public accountancy; qualifications and appointments

the appointees on such board of public accountancy from holders of such certificates (or renewal certificates) then in effect as provided by this chapter. Within 15 days after their appointment, the members of said board shall take the oath prescribed by section 268 of the state constitution and file the same with the secretary of state.

Powers and duties of board; examinations and meetings

5745. The Mississippi state board of public accountancy is authorized and empowered to adopt a seal, to adopt and enforce all necessary rules, regulations and by-laws, to govern its proceedings and to regulate the mode of conducting examinations to be held under this chapter, provided said examinations shall be held at least twice a year in the city of Jackson, county of Hinds, state of Mississippi. The examination shall cover a knowledge of the "theory of accounts," "practical accounting," "auditing," "commercial law as affecting accountancy," and such other branches of knowledge pertaining to accountancy as the board may deem necessary to maintain the highest standard of proficiency in the profession of public accounting. The board shall have power and authority to issue certificates under the signature and the official seal of the board as provided in this chapter, and the said board shall be required within thirty days after each examination to notify applicants who have failed therein, of such failure, and in what branch or branches deficiency was found.

Expenses; how paid; registration; certificate fees

5746. The Mississippi state board of public accountancy shall be authorized to charge each applicant for a certificate a fee of not to exceed the sum of twenty-five dollars, the same to be paid when the application is filed.

On or before the first day of January of each year hereafter, each certified public accountant, authorized theretofore to practise as such in this state, shall register with the Mississippi state board of public accountancy and shall pay an annual registration fee of five dollars to said board. Appropriate forms for such registration shall be mailed by said board to each person, to whom a certificate has ever been issued by said board, to his address, if known (but, if unknown, to his last known address), on or before the first day of December, 1930; and, on or before the first day of December of each year thereafter, such forms shall be mailed to each certified public accountant, who has registered for that year, at the address shown by his registration (if his address is unknown).

If any certified public accountant fail to register or/and to pay the annual registration fee, on or before, the first day of January,

notice of such default shall be sent to him by registered mail to his address if known (but, if unknown, to his last address as shown by the records of said board). If such certified public accountant fail to register or to pay double the amount of the annual registration fee before the first day of March, following, his certificate shall, by virtue of the provision hereby made, be automatically cancelled, and said board shall enter the cancellation on its records.

But any person whose certificate to practise accountancy has been so cancelled may again apply for examination, and, if the required grades are made, said board shall again issue certificate in his favor to practise as a certified public accountant in this state. Any person, having the necessary certificate to practise as a certified public accountant in another state, who has lost his certificate to practise in this state by failure to register or/and pay the registration fee, herein required, shall be again certified by said board to practise accountancy in this state, provided such person shall again comply with the requirements of this chapter as to reciprocal certificates, file application for registration and pay all fees due said board according to law.

Reinstatement

Upon registering and paying the registration fee, as required by this chapter, said board shall issue a renewal certificate in favor of any person then otherwise qualified according to law to practise as a certified public accountant in this state. The renewal certificate shall acknowledge receipt of his money and shall extend his authority to practise as a certified public accountant in this state through the 31st day of December next, but if paid during December then through the 31st day of December of the ensuing year. Duplicate of each certificate and of each renewal certificate shall be retained as a public record by said board.

Out of the funds collected under this chapter shall be paid the expenses of the said board, including mileage, hotel expenses and an amount not to exceed ten dollars per day, for the time expended in conducting examinations and issuing certificates, provided no expense incurred by said board shall ever be charged against the funds of the state.

5747. The Mississippi state board of public accountancy may in its discretion, register any certified public accountant's certificate issued under the law of another state, and may issue to such certified public accountant a certificate which shall entitle the holder to practise as such public accountant and to use the abbreviation,

Accountants of other states; certificates, when recognized

“C. P. A.,” in this state, provided that the state issuing the original certificate grants similar privileges to the certified public accountants of this state. The fee for registration shall not exceed the sum of twenty-five dollars.

Certificates;
how cancelled or
suspended;
powers of
board of
accountancy
as trial board;
appeals

5749. The Mississippi state board of public accountancy may revoke any certificate (and/or renewal certificate) issued by virtue of any provision of this chapter or/and may cancel the registration of any certificate (or/and renewal certificate) registered by virtue of any provision of this chapter for any unprofessional conduct of the holder of such certificate (or/and renewal certificate), or for other sufficient cause, provided written notice shall have been sent by registered mail (with the addressee's receipt required) to the holder thereof, twenty days before any hearing thereon, stating the cause for such contemplated action and appointing a day and a place for a full hearing thereon by said board, provided, further, no certificate (or/and renewal certificate) be cancelled or revoked until a hearing shall have been given to the holder thereof according to law. But, after such hearing, said board may, in its discretion, suspend such a certified public accountant from practice as a certified public accountant in this state not exceeding six months, but such suspension shall not extend beyond the 31st day of December of the year in which such suspension is made.

The members of said board are hereby empowered to sit as a trial board; to administer oaths (or affirmations); to summon any witness and to compel his attendance or/and his testimony, under oath (or affirmation) before such board; to compel the production before it of any book, paper or document by the owner or custodian thereof; and/or to compel any officer to produce at such hearing a copy of any public record (not privileged from public inspection by law) in his official custody, certified to by him. Such board shall elect one of its members to serve as clerk, to issue summons and other processes, and to certify copies of its records, and another to serve as president of the board.

Its minutes shall be recorded in book form. Testimony of witnesses shall be taken by a stenographic reporter, and may be enforced in the same manner and with like powers as would be in a justice of the peace court. Its records, when not in session, shall be filed with the secretary of state.

The accused certified public accountant may appear in person or/and by counsel, to defend himself. But if he do not appear or answer, judgment may be entered by default, provided if he do

not appear he shall have been notified 20 days before such hearing, by summons issued by the clerk and served by the sheriff, or by publication by the clerk in a newspaper, under the same circumstances, for the same time and in the same manner, as in cases in the chancery court.

Three or more persons, qualified to practise as certified public accountants, may prefer charges against any person, practising as a certified public accountant, for misconduct or/and unprofessional conduct, by filing a sworn bill of complaint with any member of said board with bond for double the cost. Mississippi society of certified public accountants may make such bill of complaint by resolution adopted by its board of governors filed with any member of said board of accountancy. Thereupon, said board shall proceed with its hearing of such charges. In case of a decision adverse to the charges, the cost shall be borne by those who made the charges.

In case of a decision adverse to the certified public accountant, he shall have thirty days from the day on which decision is made, within which to appeal to the circuit court of the county in which the misconduct or/and unprofessional conduct was alleged to have been committed, and the cancellation, revocation or suspension of his certificate or/and renewal certificate shall not take effect until the expiration of said thirty days.

In case of an appeal, the trial in the circuit court shall be de novo; the board of accountancy and those preferring the charges shall be made parties to the suit, bond for costs in the circuit court shall be given as in other cases; and such suspension, revocation or cancellation shall not take effect until such appeal shall have been finally disposed of by the court or courts.

The board of accountancy may, at any time, reinstate the certificate or/and renewal certificate, if satisfied that such reinstatement is justified.

5750 (a). If any person shall represent himself to the public as having received a certificate as provided in this chapter; or shall assume to practise as a certified public accountant; or shall use the abbreviation, "C. P. A.," or any similar words or word, letters or letter to indicate that the person using the same is a certified public accountant, without having received a certificate or renewal certificate as provided in this chapter; or if any person having received a certificate or renewal certificate, and having thereafter lost such certificate or such renewal certificate by rev-

Penalties for
practising
without
licenses

ocation or cancellation as provided by this chapter, shall continue to practise as a certified public accountant; or if any person having received a certificate or renewal certificate, and having thereafter lost such certificate or such renewal certificate for a time by suspension as provided by this chapter, shall continue to practise as a certified public accountant, within the period covered by such suspension, he shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than \$100 or of not more than \$500, or by imprisonment in the county jail for not longer than six months, or by both such fine and imprisonment, in the discretion of the court for each such an offense.

Violations of
this chapter;
penalty for

5750 (b). That it shall be unlawful for any person, except a certified public accountant, who has complied with the requirements of this chapter, or an attorney in the practice of law in this state, or their employees, to charge or receive, directly or indirectly, a fee or special compensation for making an audit, for making, uttering, issuing or certifying any balance-sheet or any statement of assets or liabilities, or any statement of income (or loss); or for preparing or making any tax return. If any person who at the time of making the charge or receiving such fee or compensation has not, by virtue of the provisions of this chapter, authority to practise as an attorney or certified public accountant hereunder, or any employee of such attorney or certified public accountant, shall charge or receive, directly or indirectly, a fee or special compensation,—(a) for making an audit; (b) for making, uttering, issuing, signing, or certifying to any balance-sheet or any statement of assets and liabilities, or any statement of income (or loss); (c) for making or preparing any tax return;—shall be guilty of a misdemeanor, and upon conviction therefore be punished by a fine of not less than fifty dollars or of not more than five hundred dollars, or by imprisonment in the county jail for not less than ten days or for not more than six months, or by both such fine and imprisonment in the discretion of the court. Provided that, if any person not authorized by the provisions of this chapter to practise as a certified public accountant shall have a regularly established business as a public accountant, or auditor, and shall file with the state board of public accountancy on or before February 28, 1931, a satisfactory showing of such regularly established business, then such person shall not be deemed acting in violation of this chapter when receiving a fee or compensation for making an audit; for

making, uttering, issuing or certifying any balance-sheet, or any statement of assets and liabilities, or any statement of income (or loss); for preparing or making any tax return. The satisfactory showing of a regularly established business provided herein shall be under such reasonable and equitable rules and regulations as the state board of accountancy shall require to be observed.

And this section shall not be construed to apply to a person for making statements as to his own business; to an officer or salaried employee of a firm, partnership or corporation for making an audit, statement or tax return for the same; to a bookkeeper for making an audit, statement or tax return for his employer, whose books he regularly keeps for a salary; to a receiver, a trustee or fiduciary as to an audit, statement or tax return with reference to the business or property entrusted to him as such; to any federal, state, county, district or municipal officer as to any audit, statement, or tax return made by him in the discharge of the duties of such office.

5750 (c). Nothing contained in this chapter shall apply to holders of state granted "C. P. A." certificates from other states who may be temporarily in this state on professional business incident to other regular practice in the state of their domicile but with neither residence nor office in this state.

Accountants
from other
states

MISSOURI

AN ACT regulating the practice of public accounting; creating a board of accountancy; providing for the granting of certificates and the registration of certified public accountants; providing for examinations, the suspension or revocation of certificates issued by the board; prescribing the qualifications of persons entitled to certificates as certified public accountants; creating (defining) misdemeanors for a violation of the provisions hereof, and prescribing the punishment (penalty) therefor. (Approved, June 10, 1909.)

Be it enacted by the general assembly of the state of Missouri, as follows:

Who shall be public accountants; title

Section 1. Any citizen of the United States, or person who has declared his intention of becoming such, having a place for the regular transaction of business as a professional accountant in the state of Missouri, and who, as in this act required, shall have received from the secretary of state for the state of Missouri a certificate of his qualifications to practise as a public accountant, as hereinafter provided, shall have the authority to style himself and be known as a certified public accountant, and to use the abbreviated title C. P. A. for and during the term mentioned in his certificate.

Board of accountancy; how appointed

Section 2. The governor shall, within thirty days after the taking effect of this act, appoint five persons, who shall constitute the board of accountancy, each member of which shall have been engaged in the reputable practice as a public accountant for a continuous period of three years immediately preceding the passage of this act, one of which shall have been in the state of Missouri. The persons first appointed shall hold office for one, two, three, four and five years, respectively. Upon the expiration of each of said terms a member, who shall be a holder of a certificate issued under this act, shall be appointed for a term of five years.

Qualifications of applicants; rules of examinations; fees

Section 3. The board of accountancy, the majority of which shall in all cases have the powers of the board, shall determine the qualifications of persons applying for certificates under this act, and shall make rules for the examination of same, which shall embody the following:

(a) Examinations shall be held by the board at least once in each year, at such times and places as may be determined by them. The time and place of holding such examinations shall be advertised

for not less than three consecutive days, not less than 30 days prior to the date of each examination, in at least two daily newspapers printed and published in this state. The examination shall be in theory of accounts, practical accounting, auditing and commercial law as affecting accountancy.

(b) Applicants for certificates, before taking the examinations, must produce evidence satisfactory to the board that they are over twenty-five years of age, of good moral character, a graduate of a high school with a four years' course, or have an equivalent education, or pass an examination to be set by the board, and that they have had at least three years' practical accounting experience.

(c) After the examination provided by this act the board shall, if in its judgment the applicants be entitled thereto, certify to the secretary of state the name and address of each person to be registered and to whom certificates of registration are to be issued. It shall thereupon be the duty of the secretary of state to register such persons as certified public accountants, and to issue to them certificates of registration. The secretary of state shall be entitled to receive \$2.50 for each registration and certificate issued, to be paid out of the funds accumulated by this act.

(d) In the event the board shall waive the examination of any person of competent age, as in this act provided, the name of such person shall likewise be certified to the secretary of state, who shall likewise register such person and issue such certificate upon payment of the fees required hereunder.

(e) All applications must be filed with the board of accountancy and be accompanied by the following fees:

For examination or recommendation for waiver of same as provided in section 4, \$25.00; for registration under section 5, \$25.00; for issuance of certificate, \$10.00.

Provided, however, that in the event any candidate fails to pass the required examination, he shall be entitled to take a second examination, within one year after the date of the examination at which he fails to pass, without paying a second fee.

(f) From fees collected the board shall pay all expenses incident under this act: provided, that no expense incurred shall be a charge against the funds of the state, and that the remuneration of each examiner shall not exceed the sum of five dollars per day while engaged in their duties as such, exclusive of the necessary traveling and other expenses, to which they shall also be entitled; provided, however, that all moneys received in excess of the fees and expenses

herein provided for shall be held by the treasurer of said board as a special fund for other like expenses of said board in carrying out the provisions of this act, but said treasurer shall file a report with the governor at the close of each calendar year, showing the amount of moneys received during said year, the amount expended, and for what purpose, and also the total balance remaining in his hands, which report shall be subscribed and sworn to by said treasurer.

(g) The board shall annually elect from its number a president, secretary and treasurer, and all certificates required to be executed for and on behalf of the board shall be certified over the signatures of the president and secretary.

Examinations
waived; when

Section 4. The board may, in their discretion, waive the examination of any person of competent age, of good moral character, and who has been engaged in reputable practice as a public accountant for a continuous period of three years, one of which shall have been in the state of Missouri immediately preceding the passage of this act, or who has been employed as an accountant by reputable firms of accountants for a continuous period of five years immediately preceding the passage of this act, one of which shall have been in the state of Missouri, and who shall apply in writing to the board for such certificate within six months after the taking effect of this act.

Certificate of
registration
under title of
C. P. A.
issued; when

Section 5. The board may, in their discretion, issue a certificate to the secretary of state, to the effect that any person who is the lawful holder of a certified public accountant's certificate issued under the law of another state which provided for similar registration, and which established a standard of qualification as high as that required under this act, and upon the reception of such certificate, the secretary of state shall issue to such person a certificate of registration, which shall entitle the holder to practise as such certified public accountant and to use the abbreviation C. P. A. in this state.

Registered
certificates;
when
cancelled
or revoked

Section 6. The board may revoke or cancel the registration of any certificate issued under this act for unprofessional conduct of the holder or other sufficient cause: provided, that written notice shall have been mailed to the holder of such certificate at least twenty days before any hearing thereon, stating the cause of such contemplated action, and appointing a day for full hearing thereon by the board; and provided, further, that no certificate issued under this act shall be revoked until such hearing shall have been held or

the opportunity for such afforded the person charged. In the event of the revocation, cancellation or suspension of any such certificate, the board shall notify the secretary of state of its action in the premises, and the secretary of state shall note such order of the board upon the records kept in his office.

Section 7. If any person represents himself to the public as having received a certificate as provided in this act, or shall assume to practise as a certified public accountant, or use the abbreviation C. P. A., or any similar words or letters, to indicate that the person using the same is a certified public accountant, without having received such certified public accountant certificate, or without having received a registration certificate, as provided in this act; or, if any person, having received a certificate as provided in this act, and having thereafter been deprived of such certificate by revocation, as herein provided, shall continue to practise and hold himself out as a certified public accountant, he shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be fined a sum not less than fifty dollars, nor more than five hundred dollars for each offense, and each day such person shall so offend shall be deemed a separate offense. Nothing in this act shall be construed to prohibit any person from practising as a public or expert accountant in this state, but said act shall only apply to such persons as practise and hold themselves out to be certified public accountants.

Misrepresentations by accountants a misdemeanor; when

Section 8. If any person practising in the state of Missouri as a certified public accountant under this act, or who is in the practice of public accountancy as a certified public accountant, or otherwise, shall willfully falsify any report or statement bearing on any examination, investigation or audit made by him, or under his direction, he shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine of not less than one hundred dollars nor more than one thousand dollars, or shall be imprisoned in the county or city jail for a term not less than three months nor more than one year, or both such fine and imprisonment for each time he may so falsify such reports.

Willful falsification of report a misdemeanor; penalty

MONTANA

AN ACT to regulate the practice of the profession of public accounting and repealing chapter 39, acts of the eleventh legislative assembly of the state of Montana, entitled, "An act to regulate the practice of the profession of public accountancy." (Approved March 3, 1919.)

Be it enacted by the legislative assembly of the state of Montana:

State
university
may issue
certificates to
public expert
accountants

Qualifica-
tions of
experts

Conditions
upon which
certificates
shall issue

When
examination
may be
waived

Form of
certificate

Holder of
certificate of
another state

Section 1. The state university of Montana (hereinafter referred to as the university) is hereby authorized to issue to persons possessing the qualifications hereinafter set forth certificates entitling the holders thereof to practise as public expert accountants, and to employ the title of certified public accountant or the abbreviation "C. P. A." Every applicant for such certificate shall be a citizen of the United States of America, of the age of twenty-one years, of good moral character, a graduate of a high school with a four years' course or possessed of an equivalent education, a resident of the state of Montana for at least one year immediately preceding the date of his application, and shall have had at least one year's practical experience in the office of a practising public accountant. Save as provided in section 2 of this act, certificates shall issue only to applicants who shall be certified to the university by its board of examiners in accountancy, hereinafter provided for, as having successfully passed a written examination in theory of accounts, practical accounting, auditing, and commercial law as affecting accountancy, together with such other related subjects as the university may designate.

Section 2. The university may waive the examination and the requirement of one year's practical experience in the office of a practising public accountant provided for in section 1 of this act, and may issue a certificate in such form as to clearly indicate the conditions under which same be issued to any applicant who is possessed of the other qualifications hereinbefore recited, and who shall be—

(1) the holder of a valid certificate as certified public accountant issued by another state which extends like privileges to certified public accountants of this state; provided, that the requirements for said certificate in said other state are, in the opinion of the university, equivalent to those of the state of Montana; or,

(2) a member or associate in good standing of the American

Institute of Accountants, who shall have successfully passed the examinations required by the said American Institute of Accountants, provided that in the opinion of the university the standards of said examination are as high as those maintained by the university; or,

Member of the American Institute of Accountants

(3) engaged in the business of public accounting or auditing, and who shall have been so engaged exclusively and continuously, in an office maintained for that purpose solely, for at least two years preceding the date of his application for said certificate, and who shall apply in writing to the university for said certificate within sixty days from and after the date of passage and approval of this act, and shall present evidence of his qualifications as provided in this act, satisfactory to the university before a certificate as a certified public accountant shall issue.

Persons engaged in public accounting or auditing

Section 3. No certificate shall be issued under this act to any person who shall have been barred from practising as a certified public accountant in any other state.

Persons barred from practice

Section 4. For the purpose of determining the qualifications of persons applying for examination under the provisions of section 1 of this act, the chancellor of the university of Montana, with the approval of the state board of education, shall appoint a board of examiners in accountancy, consisting of three members, each of whom shall possess a certificate as certified public accountant issued under this act or under the provisions of chapter 39 of the laws of the eleventh legislative assembly. The members of the first board appointed hereunder shall hold their offices until July 1, 1920. The members of boards subsequently appointed shall hold their offices for the period of one year, and until their successors shall be appointed and qualified.

Method of determining qualifications

Appointment of board of examiners

Term of office

The university shall prescribe all useful and necessary rules and regulations for the conduct, character and scope of the examinations, the methods and time of filing applications therefor, and all other rules and regulations necessary or proper fully to carry into effect the purposes of this act.

Rules and regulations governing examinations

Section 5. The board of examiners in accountancy shall hold examinations at the university at Missoula, Montana, or at the state capitol in Helena, Montana, as often as in the opinion of the university shall be necessary, but in no event less frequently than once each year. Thirty days' notice of the time and place of holding such examinations shall be given by advertisement published once a week for three successive weeks prior to the date

Time and place of examinations

Notice of examinations

thereof, in three daily newspapers, no two of which shall be published in the same county.

**Fees for
examining
and certifying
applicants**

Section 6. The university shall be entitled to receive for the examination and certificate provided for in section 1 of this act a fee of twenty-five dollars, payable in advance at the time of making application therefor. Any applicant who shall fail to pass an examination shall be entitled to a second examination without the payment of further fee.

**No fee for
second
examination**

**Expenses of
members of
board of
examiners**

Section 7. The members of the board of examiners in accountancy shall receive their actual traveling and hotel expenses incurred while engaged in the performance of their duties, as imposed upon them by this act, but shall receive no other compensation. Such expenses, together with the expenses of preparing and issuing certificates, publishing notices of examinations and all other expenses arising from the administration of this act shall be paid by the university from the fees received from applicants. In no event shall any expenses arising from the administration of this act become a charge against the funds of the university or the state of Montana.

**Expenses
defrayed
from fees**

**Cancellation
of certificates;
grounds for**

Section 8. The university may cancel any certificate issued under the provisions of this act for unprofessional conduct or other sufficient cause; provided, that written notice shall have been forwarded by registered mail at least twenty days prior to any hearing thereon, addressed to the holder of such certificate at his last known address, and appointing a date for a full hearing thereon by the university; and provided, further, that no certificate shall be revoked until after a hearing shall have been had. The university shall establish such rules and regulations for the conduct of such hearings as to it may appear necessary and proper, and in its discretion may appoint a commission of disinterested persons to take evidence and prepare and submit findings and recommendations.

**Notice of
hearing**

**Rules for
conducting
hearings**

**Commission
taking
testimony**

**Liability of
accountants
and auditors**

Section 9. Any person practising as an accountant or auditor in this state who, because of negligence, gross inefficiency or willfulness, shall issue, or permit the issuance of, or approve the issuance of any false statement, or who, because of negligence, gross inefficiency or willfulness, shall sign or certify to any false statement of the financial transactions, standing or condition of any corporation, partnership or individual business undertaking shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not less than five hundred dollars nor more

**Penalty for
false
statements**

than two thousand dollars, or imprisoned for a period of not less than ninety days nor more than one year, or subjected to both said fine and imprisonment, in the discretion of the court.

Section 10. Any person who shall represent himself as having received a certificate as provided in this act or under the provisions of chapter 39 of the laws of the eleventh legislative assembly, or who shall offer to or attempt to practise as a certified public accountant or chartered accountant, or who shall employ the abbreviation "C. P. A." or "C. A." or any similar words or letters to indicate that he is a certified public accountant or chartered accountant, without having been granted a certificate as such by the university or under the laws of another state; or who, having received a certificate as certified public accountant under the laws of this or another state shall have lost the same by revocation or annulment, and who shall continue to practise as a certified public accountant, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not less than two hundred and fifty dollars nor more than one thousand dollars, or imprisoned for a period of not less than ninety days nor more than one year, or subjected to both said fine and imprisonment, in the discretion of the court.

Penalty for
practising
without
certificate

Section 11. Chapter 39 of the laws of the eleventh legislative assembly of the state of Montana, and all other acts or parts of acts in conflict herewith are hereby repealed.

Repealing
clause

Provided, however, that nothing in this act contained shall nullify, invalidate or otherwise affect any certificate as certified public accountant heretofore issued by the university under the provisions of said chapter 39 of the laws of the eleventh legislative assembly.

Prior
certificates
valid

Section 12. This act shall be in full force and effect from and after its passage and approval.

NEBRASKA

THE COMPILED STATUTES OF NEBRASKA—1922, CHAPTER 57

Certificate
of qualifica-
tions

5168. Any citizen of the United States, or person who has duly declared his intention of becoming such citizen, residing or having a place for the regular transaction of business in the state of Nebraska, being over the age of twenty-one years and of good moral character, and who shall have received from the governor of the state of Nebraska a certificate of his qualifications to practise as a public expert accountant, as hereinafter provided, shall be styled and known as a certified public accountant; and no other person shall assume such title, or use the abbreviation C. P. A. or any other words, letters or figures to indicate that the person using the same is such a certified public accountant.

Examiners of
public
accountants

5169. The board of examiners for the examination of persons applying for certificates under this chapter shall consist of three members, one of whom shall be the auditor of public accounts and two shall be certified public accountants of the state of Nebraska to be appointed by the governor upon the approval of this chapter. One of said examiners shall be appointed for the term of one year and one for the term of two years, and upon the expiration of said terms a successor shall be appointed annually for the term of two years.

Result of
examination
certified to
governor

5170. Examinations of persons applying for certificates under this chapter shall be held at least once a year, at such time and place as may be determined by the board, and the subject of examination shall be the regular questions as furnished by the national association of certified public accountants. The results of such examination shall be certified to the governor, and to all persons who may have passed the examination satisfactorily to said board of examiners the governor shall issue the certificate mentioned in the first section of this chapter.

Fee for
examination;
certificate
revoked

5171. The board of examiners shall charge for examination and certificate such fee as may be necessary to meet actual expenses of such examination and issuing of such certificate, and shall report annually the receipts and expenses under the provisions of this chapter to the governor, and the surplus, if any, of receipts over expenses shall be paid into the state treasury. The governor may revoke any certificate issued under the provisions of this chapter for a sufficient cause: provided, written notice shall have been given

to the holder thereof, and after he has had an opportunity for a hearing thereon.

5172. Upon the passage of this chapter the members, in good standing, of the Nebraska association of public accountants shall be recognized as certified public accountants and receive certificates as provided for in the first section of this chapter; and said association shall thereupon be authorized to change the title of their organization accordingly.

Members of
association of
public
accountants
recognized

5173. Any person who shall violate any of the provisions of this chapter shall be deemed guilty of a misdemeanor, and upon conviction thereof in any court having criminal jurisdiction shall be fined not less than fifty dollars nor more than two hundred dollars, or be confined in the county jail, not more than six months for each offense.

Public
accountant
violating law
—penalty

NEVADA

AN ACT to create a state board of accountancy and prescribe its powers and duties; to provide for the examination of and issuance of certificates to applicants with the designation of certified public accountants, to provide for examination of state, county, and city accounts, and to provide the grade of penalty for violations of the provisions hereof. (Approved March 24, 1913; amended, 1917.)

The people of the state of Nevada, represented in senate and assembly, do enact as follows:

Board
created;
qualifications
of members

Section 1. Within thirty days after the approval of this act the governor shall appoint three persons, at least two of whom shall be competent and skilled accountants who shall have been in practice as such in this state for not less than one year, to constitute and serve as a state board of accountancy. The members of such board shall, within thirty days after their appointment, take and subscribe to the oath of office as prescribed by the laws of Nevada, and file the same with the secretary of state. They shall hold office for three years, and until their successors are appointed and qualified; save and except that one of the members of the board first to be appointed under this act shall hold office for one year; one for two years, and one for three years. Any vacancies that may occur from any cause shall be filled by the governor for the unexpired term; provided, that all appointments made after the first year must be made from the roll of certificates issued and on file in the office of the secretary of state.

Office in
Reno;
powers and
duties

Section 2. The state board of accountancy shall have its principal office in the city of Reno, and its powers and duties shall be as follows:

(1) To formulate rules for the government of the board and for the examination of and granting of certificates of qualification to persons applying therefor;

(2) To hold written examinations of applicants for such certificates, at least semi-annually, at such places as circumstances and applications may warrant;

(3) To grant certificates of qualification to such applicants as may, upon examination, be found qualified in theory of accounts, practical accounting, auditing, and commercial law to practise as certified public accountants;

(4) To charge and collect from all applicants such fee, not exceeding twenty-five dollars, as may be necessary to meet the expenses of examination, issuance of certificates and conducting its office; provided, that all such expenses, including not exceeding ten dollars per day for each member while attending the sessions of the board or conducting examinations, must be paid from the current receipts, and no portion thereof shall ever be paid from the state treasury;

(5) To require the annual renewal of all such certificates, and to collect therefor a renewal fee of not exceeding ten dollars;

(6) To revoke for cause any such certificate, after written notice to the holder, and a hearing being had thereon;

(7) To report annually to the secretary of state, on or before the first day of December, all such certificates issued or renewed, together with a detailed statement of receipts and disbursements; provided, that any balance remaining in excess of the expenses incurred may be retained by the board and used in defraying the future expenses thereof.

(8) The board may in its discretion, under regulations provided by its rules, waive the examination of applicants possessing the qualifications mentioned in section 3, who shall have been for more than one year prior to the passage of this act practising in this state as a public accountant on their own account, who shall, in writing, apply for such certificates within six months.

Section 3. Any citizen of the United States, or any person who has duly declared his intention of becoming such citizen, residing and doing business in this state, being over the age of twenty-one years and of good moral character, may apply to the state board of accountancy for examination under its rules, and for the issuance to him of a certificate of qualification to practise as a certified public accountant, and upon the issuance and receipt of such certificate, and during the period of its existence, or of any renewal thereof, he shall be styled and known as a certified public accountant or expert of accounts, and no other person shall be permitted to assume and use such title or to use any words, letters or figures to indicate that the person using the same is a certified public accountant.

Who may be
certified

Section 3A. Any citizen of the United States, or any person who has declared his intention of becoming such citizen, being over the age of twenty-one years and of good moral character, who has complied with the rules and regulations of the board appertaining

to such cases, and who holds a valid and unrevoked certificate as a certified public accountant, or the equivalent thereof, issued by or under the authority of any other state of the United States, or the District of Columbia, or any territory of the United States, or by or under the authority of a foreign nation, when the board shall be satisfied that their standards and requirements for a certificate as a certified public accountant are substantially equivalent to those established by the act of which this act is an amendment, may, at the discretion of the board, receive a certificate as a certified public accountant, and such person may thereafter practise as a certified public accountant and assume and use the name, title, and style of "certified public accountant," or any abbreviation or abbreviations thereof, in the state of Nevada; provided, however, that such other state, territory or nation extends similar privileges to certified public accountants of the state of Nevada.

Section 4. [*Repealed, Stats. 1917.*]

Penalty for
violation

Section 5. Any violation of the provisions of this act shall be deemed as a misdemeanor.

NEW HAMPSHIRE

CHAPTER 270, PUBLIC LAWS

1. The bank commissioner shall have charge of the registration of public accountants, shall make such rules as are necessary to carry out the provisions of this chapter, and shall keep a record of all certificates issued thereunder, a duplicate of which shall be open to inspection in the office of the secretary of state.

Supervision;
records

2. Examinations shall be held as often as deemed necessary by the commissioner, but not less frequently than once a year if there be applicants, and shall be given by one or more examiners appointed by the commissioner. Examiners shall be skilled, and shall have previously been engaged, in the practice of public accounting.

Examinations

3. Examinations shall include the subjects of theory of accounts, practical accounting, auditing, commercial law as affecting accountancy and such other subjects as the commissioner may deem necessary, and shall be open to any citizen of the United States or person who has in good faith declared his intention of becoming such citizen, who is a legal resident of this state, being over twenty-one years of age, of good moral character, who shall have a general education equivalent to a standard public high school course and shall have had at least four years' accounting experience or instruction.

Subjects;
applicants

4. The applicant shall pay to the commissioner a fee of twenty-five dollars. If he fails to pass the examination he shall, without any additional fee, be entitled to take one more examination at any time at which there are other applicants to be examined.

Fees

5. Any such person who shall have successfully passed said examination shall be registered as a public accountant, shall receive a certificate thereof and shall be entitled so to style himself.

Registration

6. No other person shall assume such title or use any abbreviations thereof, or any other words, letters or abbreviations to indicate that the person so using the same is a certified public accountant registered under the provisions of this chapter.

Use of title

7. The commissioner may, after notice and hearing, suspend or revoke for good cause any certificate issued by him.

Revocation

8. Any person who falsely represents himself as having received a certificate under the provisions of this chapter, or who shall continue to practise thereunder after the revocation of such

Penalty

certificate, or any accountant certified under this chapter who wilfully or through gross negligencē falsifies a report, shall be fined not more than five hundred dollars, or imprisoned not more than six months, or both.

Applicants
registered
elsewhere

9. Any citizen of the United States who, after examination, has been admitted to practice as a certified public accountant in another state, under a certificate issued by the proper authorities of that state, may, upon the payment of the required fee, receive a certificate to practise in this state without an examination; provided, that the requirements of such state are, in the opinion of the commissioner, equivalent to those of this chapter.

Annual
registration

10. The commissioner shall require all such accountants one year after their admission to practice in this state, and annually thereafter, to register at the commissioner's office by filing a statement of their residence and place of business on these dates, and such other information as the commissioner may require, and the payment of a fee of five dollars, and they shall thereupon be entitled to a certificate that their names, places of residence and places of business are recorded in the office of the commissioner and in the office of the secretary of state.

Neglect

11. The name of any accountant who fails to register within a reasonable time shall be dropped from the records of these offices.

Disposal
of fees

12. All fees received under this chapter shall be paid to the state treasurer by the commissioner.

Former
registrants

13. All persons heretofore admitted to this state as certified public accountants shall continue as such, except as they are required to meet the provisions of this chapter.

NEW JERSEY

AN ACT to regulate the practice of the profession of public accountants. (Approved April 5, 1904.)

Be it enacted by the senate and general assembly of the state of New Jersey:

1. Within sixty days after the passage of this act the governor of the state of New Jersey shall appoint three persons who shall be public accountants residing in the state of New Jersey and who have been engaged in the practice of their profession for at least three years; the said three persons shall constitute the New Jersey state board of public accountants one of whom shall be appointed to hold office for one year, one shall be appointed to hold office for two years and one shall be appointed to hold office for three years. **State board**

2. Upon the expiration of the term of each member, the governor shall appoint his successor from among the certified public accountants of the state of New Jersey for a term of three years in like manner as the previous appointments; each member shall hold over after the expiration of his term until his successor shall have been duly appointed and qualified. **Terms of office**

3. Any vacancy occurring in the membership of the state board of public accountants shall be filled for the balance of the unexpired term in like manner; the members of the board shall serve without compensation for their services, except as hereinafter provided. **Members**

4. The members of the New Jersey state board of public accountants shall, before entering upon the discharge of their duties, and within thirty days after their appointment, take and subscribe an oath before any officer authorized to administer oaths in the state, for the faithful performance of duty, and file the same with the secretary of state; they shall annually elect from their board a president, a secretary and a treasurer; the offices of secretary and treasurer may, by vote of the board, be consolidated and held by one person; the officers shall receive such compensation for their services as may be determined by the board, as hereinafter provided. **Officers**

5. The board may adopt all necessary rules, regulations and by-laws to govern its proceedings, not inconsistent with the laws of this state or of the United States; the board may adopt a seal, **Rules and regulations**

and the secretary shall have the care and custody thereof, and shall keep a record of all the proceedings of the board, which shall be open to public examination.

Quorum

6. Two members of the board shall constitute a quorum.

Amendment and repeal of regulations

7. The board may adopt rules and regulations for the examination and registration of applicants desiring to practise the profession of public accountant, in accordance with the provisions of this act, and may amend, modify and repeal such regulations from time to time.

Publication of officers' names and rules of board

8. The board shall immediately, upon the election of each officer thereof, and upon the adoption, repeal or modification of the rules and regulations for the registration of applicants, file with the secretary of state and publish in at least one daily newspaper in the state the name and post-office address of each officer and a copy of such rules and regulations or the amendment, repeal or modification thereof.

Examinations

9. Provision shall be made by the state board of public accountants for holding examinations at least twice a year of applicants for registration to practise the profession of public accountant, if there shall be any such applicants, and the governor, upon the recommendation of the state board of public accountants, shall have the power to issue to any citizen of the United States, residing in or having a place for the regular transaction of business in the state of New Jersey, who shall be over the age of twenty-one years and of good moral character, a certificate authorizing him to practise as a public expert accountant, and such person shall be styled and known as a "certified public accountant."

Waiver

10. The governor may, in his discretion, on the written recommendation of the board, waive the examination of any person possessing the qualifications mentioned in section nine of this act, and issue to said person a certificate; provided he shall have practised for more than three years before the passage of this act as a public accountant in this state, and shall apply in writing for such certificate within one year after passage of this act.

Certificates from other states

11. The board of examiners may, in their discretion, waive the examination of any person who shall at the time of his application reside or have a place for the regular transaction of business in the state, and shall hold a valid and unrevoked certificate as a certified public accountant, issued by or under the authority of any state or territory; provided, that the state issuing the original

certificate grant similar privileges to the certified public accountants of this state.

12. Before any such certificate shall be issued to any applicant therefor, he shall pay to the treasurer of the state board of public accountants the sum of \$25. **Fee**

13. The governor may, upon recommendation of the board, revoke any certificate theretofore issued by him; provided, that said recommendation be made after a hearing thereon before said board, due notice of which shall be given to the holder thereof, and for sufficient cause shown at said hearing. **Revocation of certificates**

14. If any person shall advertise or put out any sign, card or drawing designating himself as a certified public accountant, or shall assume the title of certified public accountant, or use the abbreviation "C. P. A." or any other words, letters and figures to indicate that the person using the same is such certified public accountant, without a certificate thereof, in accordance with the provisions of this act, he shall be guilty of a misdemeanor, and, upon conviction, shall be fined not less than \$50 and not more than \$500 for each offence, or shall be imprisoned in the county jail for a period of not less than one month. **Use of title "C. P. A."**

15. The expenses of said board and the officers thereof, and of the examination held by said board, and of any other matter in connection with the provisions of this act, shall be paid from the registration fees above provided for, and not otherwise; in no case shall such expenses or any part thereof be paid by the state of New Jersey, or be a charge against said state. **Expenses of board**

16. An itemized account of all receipts and expenditures of said board shall be kept by its treasurer and a detailed report thereof each year, ending with the 30th day of September, duly verified by the affidavit of the said treasurer, shall be filed with the secretary of state within sixty days thereafter. Said secretary of state shall be paid such fees therefor as are now paid for filing similar papers in his office. **Accounts and reports of board**

17. The members of the board shall be entitled to reimbursement for their traveling and hotel expenses incurred in pursuance of their duties, not to exceed \$5 per diem for each member of said board, and the officers of said board shall receive such annual compensation as shall be provided by the board by resolution adopted by it at a regular meeting; no member of the board shall be held personally responsible for any portion of the salaries **Compensation**

of the aforesaid officers, should the fees for certificates received by said board be insufficient to meet the same.

Disposition
of funds

18. Any surplus of fees in the treasury of said board over and above the sum of \$500, after the payment of the expenses of the members of the board and the salaries of the officers thereof, as herein provided for, shall be paid annually to the treasurer of the state of New Jersey, and shall thereafter be paid out only on the warrant and authority of the comptroller of the state of New Jersey.

19. This act shall take effect immediately.

NEW MEXICO

AN ACT creating a state board of accountancy, regulating the examination, qualification, registration and practice of public accountants and providing penalties for the violation of this act. (Approved March 14, 1921.)

Be it enacted by the legislature of the state of New Mexico:

Section 1. That any citizen of the United States residing in this state, or having a place for the regular transaction of business therein, and being over the age of twenty-five years, of good moral character, and who shall have received from the board of accountancy of this state a certificate as provided in this act, shall be styled and known as a certified public accountant, and be entitled to use the abbreviations C. P. A. in connection with his name, and no other person and no firm, all the members of which are not certified public accountants, and no corporation in this state shall assume such title or use the abbreviations C. P. A., C. A. or any other words, letters or figures to indicate that the person, firm or corporation using the same is a certified public accountant.

Certified
public
accountants;
qualifica-
tions;
privileges

Section 2. Within thirty days after this act takes effect, the governor shall appoint three persons skilled in the knowledge and practice of accountancy, to constitute and be known as the "state board of accountancy." The board thus appointed shall consist of persons who have practised public accountancy in this state for a period of at least three years, one of whom shall be appointed for a term ending January 1st, 1922, one for a term ending January 1st, 1923, and one for a term ending January 1st, 1924, and upon the expiration of each of said terms and of each succeeding term, a member shall be appointed for a term of three years; provided that the successors to the first members shall be selected from holders of certificates under this act. Any vacancies that may occur from any cause shall be filled by the governor for the unexpired term under the same conditions that govern regular appointments.

State board
of
accountancy;
appointment;
tenure of
office

Section 3. The board of accountancy shall, at its first meeting, formulate rules for its guidance, not inconsistent with this act, which rules may be changed at any regular meeting. It shall organize by the selection of one of its members as president and one as secretary and treasurer, and shall meet at least once in each year, and oftener, as may be necessary, at such times and places as it may select, and a majority shall constitute a quorum.

Board to
establish
rules;
organization;
meetings

Such meetings at all reasonable times shall be open to the public. It may at any regular meeting examine and determine the qualifications of persons applying for certificates under this act. The board may require the secretary-treasurer to give bond in an amount to be fixed by it, payable to the state of New Mexico and conditioned upon the faithful performance of his duties.

Examina-
tions;
dates; notice;
scope; fees;
register;
waiver of
examinations

Section 4. The time and place for holding examinations under this act shall be published in the English language for not less than two consecutive days in two daily newspapers published in this state, not less than twenty days prior to the date of such examination, and a notice of the same shall be mailed to all holders of certificates under this act, as well as to applicants. The examination shall cover the following subjects: theory of accounts, practical accounting, auditing and commercial law as affecting accountancy. Applicants for certificates before taking the examination must produce evidence satisfactory to the board that they are over twenty-five years of age, of good moral character, a graduate of an accredited high school with a four year course, or have an equivalent education, or pass a preliminary examination to be given by said board for the purpose of determining that their educational qualifications are equal to graduates of accredited high schools having a four year course, and that they have had at least three years practical accounting experience, at least one year of which shall have been as an accountant in the employ of a public accountant of recognized standing in the profession or in the public practice on their own account. The fees for such examination shall be twenty-five dollars (\$25.00), payable to the treasurer of the board at the time of filing application, at least five days prior to the holding of the examination. After the examination provided by this act, if the applicant has made a grade of at least seventy per cent, and if, in the judgment of the board, the applicant is entitled thereto, the board shall issue certificates as provided in this act. The board shall maintain a register of the names and addresses of all persons receiving certificates under this act, and shall keep a record of all persons whose certificates have been revoked. In the event the board shall waive the examination of any person, as in this act provided, a certificate shall likewise be issued to such person upon the payment of the fees hereunder.

When
examination
waived; fee

Section 5. The board may in its discretion, waive the examination of any applicant for a period not exceeding six months from and after the taking effect of this act, who, in addition to the qualifi-

cations mentioned in sections one and four, is at the time of the passage of this act, actively engaged in the practice of accounting as a professional public accountant on his own account and who has been continuously engaged as such for at least three years next preceding the passage of this act.

Each applicant for whom examination is waived shall pay to the treasurer of the board the sum of twenty-five dollars (\$25.00) before his certificate is issued.

Section 6. The board may, in its discretion, register the certificate of any person who is not a resident of this state, and who is the lawful holder of a C. P. A. certificate, issued under the laws of another state, which extends similar privileges to certified public accountants of this state; provided, the requirements of said degree in the said state which has granted it to the applicant are, in the opinion of the board, equivalent to those herein provided.

Certificates
from other
states

Section 7. The state board of accountancy may revoke or cancel the registration of any certificate issued under this act, for unprofessional conduct of the holder or other sufficient cause, provided that a written notice shall have been mailed to the holder of such certificate at least twenty days before any hearing thereon, stating the cause of the contemplated action, and appointing a day for a full hearing thereon by the board; provided, further, that no certificate issued under this act shall be revoked until such hearing shall have been held or opportunity for such hearing afforded the person charged.

Revocation
of certificate

Section 8. The members of the board shall receive as compensation ten dollars (\$10.00) a day for the time actually employed and expenses incurred in the discharge of their duties; provided, however, that all compensation for services and expenses shall not exceed the amounts received as fees from applicants. All bills for expenses and per diem shall be audited before payment and shall be paid from the fees received under this act. The secretary-treasurer shall be the custodian of all moneys received and collected under this act, which shall be disbursed upon the order of the president, countersigned by the secretary-treasurer. At the close of each calendar year the board shall make a report to the governor of its proceedings, with an account of all moneys received and disbursed, a list of names of all persons who are certified public accountants in this state, and also a list of those persons whose certificates have been revoked, together with recommenda-

Compensa-
tion of board;
public
accountancy
fund;
annual report

tions, if any, for new legislation and such other matters as the board may deem proper.

Violations;
penalty

Section 9. If any person shall hold himself out to the public as having received a certificate as provided in this act, or shall assume to practise as a certified public accountant, or chartered accountant, or shall use the abbreviations C. P. A. or C. A. or any other letter, words, or figures to indicate that the person using the same is such certified public accountant without having received such certificate, or after the same shall have been revoked, he shall be deemed guilty of a felony and upon conviction shall be punished by a fine not less than one hundred dollars (\$100.00) nor more than five hundred dollars (\$500.00) or by imprisonment not exceeding one year, or by both such fine and imprisonment in the discretion of the court.

Misconduct;
penalty

Section 10. If any person practising in this state as a certified public accountant under this act, or if any person who is in the practice of public accountancy as a certified public accountant or otherwise, shall be found guilty of gross negligence or carelessness, or shall wilfully falsify any report, statement, or any examination, investigation or audit made by him or under his direction, he shall be deemed guilty of a felony, and upon conviction thereof shall be punished by a fine of not less than one hundred dollars (\$100.00) nor more than one thousand dollars (\$1000.00), or by imprisonment for a period of not more than two years, or by both such fine and imprisonment, in the discretion of the court.

NEW YORK

AN ACT to amend the education law, in relation to the public practice of accountancy by certified public accountants. (Approved April 3, 1929; amended April 5, 1930.)

The people of the state of New York, represented in senate and assembly, do enact as follows:

Section 1. Article fifty-seven of chapter twenty-one of the laws of nineteen hundred nine, entitled "An act relating to education, constituting chapter sixteen of the consolidated laws," as amended by chapter one hundred and forty of the laws of nineteen hundred ten as such article was added by chapter eighty-five of the laws of nineteen hundred twenty-seven, is hereby repealed and a new article fifty-seven added in place thereof, to read as follows:

1489. As used in this article: (1) "department" means the education department of the state of New York, as constituted by the education law; (2) "regents" means the board of regents of the university of the state of New York; (3) "council" means the council on accountancy which may be constituted by section fourteen hundred and ninety-one of this article; (4) "committee" means the committee on grievances constituted by section fourteen hundred and ninety-five of this article; (5) "board" means the board of certified public accountant examiners constituted by section fourteen hundred and ninety of this article; (6) the public practice of accountancy within the meaning of this article is defined as follows: A person engages in the public practice of accountancy who, holding himself out to the public as an accountant, in consideration of compensation received, or to be received by him, offers to perform or does perform, for other persons, services which involve the auditing or verification of financial transactions, books, accounts or records, or the preparation, verification or certification of financial accounting and related statements intended for publication or for the purpose of obtaining credit, or who, holding himself out to the public as an accountant, renders professional services or assistance in or about any or all matters of principle or detail relating to accounting procedure or the recording, presentation or certification of financial facts or data.

1490. There is hereby created a board of certified public accountant examiners consisting of at least five members, who shall be appointed by the regents within sixty days after this article

Definitions

Board of
certified
public
accountant
examiners

becomes effective. The members of the board first appointed hereunder shall be appointed to serve for the following terms respectively: One member for one year; one member for two years; one member for three years; one member for four years; and one member for five years. On the expiration of each of said terms, the term of office of each newly appointed or reappointed member of the board shall be for a period of five years. In addition the regents may at any time appoint such number of additional members of the board, for terms to be fixed by the regents, but not exceeding five years each, as the regents may deem reasonably necessary for the efficient and expeditious performance of the duties of the board. The total number of members of the board shall be an odd number. The regents may remove any member of the board from office who shall have been found guilty, after due notice and a hearing, of misconduct, incompetency, or neglect of duty in office. Vacancies in the membership of the board, however created, shall be filled by appointment by the regents for the unexpired term, but no vacancy shall be deemed necessarily to exist so long as there shall be five members of the board in office.

Qualifications and expenses

1490-a. Each member of the board shall be a citizen of the United States and a resident of the state at the time of his appointment. He shall have been engaged in the public practice of accountancy for at least five years, and shall have been a certified public accountant for at least two years. Each member of the board shall receive reasonable compensation, to be fixed by the regents, for attending sessions of the board and for the time spent in examining applicants for the certificate of certified public accountant under this article, and in necessary travel, and in addition shall be reimbursed for all necessary travel and other actual expenses incurred in carrying out any of the provisions of this article. Each member of the board shall receive a certificate of appointment from the regents and before entering upon his term of office shall file with the secretary of state the constitutional oath of office. The regents shall have power to employ a clerk and such deputy clerks as may be reasonably necessary to assist the board in the keeping of its records and in the performance of its duties. The salaries of the said clerk and deputy clerks respectively shall be fixed by the regents. The board shall have power, subject to approval by the regents, to make such rules, not inconsistent with law, as may be reasonably necessary in the performance of its duties.

1490-b. The board shall hold a meeting within thirty days after its members are first appointed, and thereafter shall in the month of May in each year hold a regular annual meeting, at which it shall elect from its members a chairman, a vice-chairman and a secretary. Other regular meetings shall be held at such times as the rules of the board may provide, and such special meetings shall be held as may be necessary or advisable in the judgment of the board, or a majority thereof, or upon the call of the department. Notice of all meetings shall be given in such manner as may be provided in said rules. A quorum of the board shall consist of a majority of its members.

Organization
and meetings
of the board

1490-c. All moneys derived from and through the operation of this article shall be paid over to the department, which shall pay therefrom all expenses incurred in carrying out the provisions of this article and annually shall pay into the treasury of the state any portion of the moneys so received which may remain after the payment of said expenses.

Receipts and
disburse-
ments

1490-d. The board shall keep a written record of its proceedings. The department shall keep a register of all applicants approved for the certificate of certified public accountant by the board, showing with respect to each applicant his name, age, education, and other qualifications, place of business and place of residence, whether or not an examination was required, and whether the application was refused or a certificate of certified public accountant issued to the applicant, and the date of such action. The department shall also keep a register of all copartnerships to which certificates of registration shall be issued pursuant to section fourteen hundred and ninety-seven of this article. In any civil or criminal action, prosecution, trial, hearing or proceeding arising out of or founded upon any provision of this article, the books and registers of the department, or a certificate as to the contents thereof bearing the seal of the department and signed by the commissioner or an assistant commissioner of education, shall be prima facie evidence of all matters stated therein.

Records

1491. The regents may at any time appoint a council on accountancy to advise with the department, the board, and any other public officers concerning any and all matters within the purview of this article and the enforcement thereof. The persons so appointed shall be certified public accountants eminent in the profession of accountancy. They shall serve without compensation. They shall hold office for three years or until the appointment

Council on
accountancy

and qualification of their successors respectively. The regents may fill any vacancies in the council by appointment for the unexpired term. The council shall elect one member thereof as chairman and another member thereof as secretary. Meetings of the council may be held at any time and place appointed by the commissioner or an assistant commissioner of education, or upon the call of any three members of the council or at the request of a majority of the board. A majority of the council shall constitute a quorum.

Certified
public
accountants

1492. The certificate of certified public accountant shall be issued, upon application to the department and the payment of a fee to be fixed by the department, which fee is to accompany the application, to any citizen of the United States, or to any person who has declared his intention of becoming such citizen, who resides within the state or has a place for the regular transaction of business therein, who is twenty-one years of age or over and of good moral character, who submits evidence satisfactory to the department of the possession of academic and professional qualifications for the public practice of accountancy and who passes the examination required by the department; provided, that the certificate of certified public accountant issued to any person who has declared his intention of becoming a citizen of the United States shall become void at the expiration of eight years from the date of the declaration of the intention of such applicant to become a citizen, unless prior to the expiration of said eight years evidence is furnished to the department that the applicant has become a citizen of the United States.

Indorsements
of certificates
of other
states

1492-a. The department may, in its discretion, upon recommendation of the board and the submission of evidence of professional qualifications as hereinafter in this section provided, and without examination, but otherwise subject to the academic and professional qualifications mentioned in section fourteen hundred and ninety-two of this article, and the rules of the regents promulgated thereunder, including the payment of a fee to be fixed by the department, indorse a certificate of certified public accountant issued by the proper authorities of any other state or political subdivision of the United States, to any citizen or person who has declared his intention of becoming a citizen thereof, provided that the applicant for such indorsement, since receiving such certificate, has been engaged in the public practice of accountancy for three years or more in one or more of the states or political subdivisions of the United States either on his own account or as a member of

a copartnership or as an employee of any person engaged in the public practice of accountancy, and such applicant is actually so engaged at the time of application for indorsement, and is in good and regular standing as a certified public accountant in each state or political subdivision of the United States from which he has ever received a certificate of certified public accountant. Such indorsement shall be equivalent to a certificate of certified public accountant of the state except as otherwise provided in this article. Such indorsement shall become void in the case of any person not a citizen of the United States at the expiration of eight years from the date of his declaration of intention to become a citizen.

1493. (1) Any person who shall

Penalties
and their
collection

(a) sell or fraudulently obtain or furnish any certificate or indorsement of any certificate of certified public accountant, or aid or abet therein; or

(b) engage in the public practice of accountancy as a certified public accountant by virtue of any certificate or indorsement of any certificate of certified public accountant illegally or fraudulently obtained by such person, or issued unlawfully, or by reason of any fraudulent representation or mistake of fact in a material regard, induced by such person; or

(c) hold himself out as authorized to engage in the public practice of accountancy as a certified public accountant under a false or assumed name; or

(2) any person, who, not being a certified public accountant of the state, shall

(a) hold himself out to be engaged in the public practice of accountancy within the state as a certified public accountant; or

(b) use in connection with his name any title or designation tending to imply that he is engaged in the public practice of accountancy as a certified public accountant within the state; or

(c) use the title "certified public accountant," or any abbreviation thereof or the letters "C. P. A.," in connection with his name, or with any trade name or in the conduct within the state of any occupation or profession involving or pertaining to the public practice of accountancy; or

(3) Any person, who, during the time his certificate or the indorsement of his certificate as a certified public accountant shall be void, revoked or suspended pursuant to this article, shall engage within the state in the public practice of accountancy as a certified public accountant, shall be guilty of a misdemeanor. Any

such misdemeanor shall be punishable by imprisonment for not more than one year, or by a fine of not more than five hundred dollars, or by both such fine and imprisonment for each separate offense.

(4) All courts of special sessions within their respective territorial jurisdictions are hereby empowered to try, hear and determine such misdemeanors without indictment, and to impose the penalties herein prescribed.

(5) Such misdemeanors shall be prosecuted by the district attorney of the county wherein the same are committed, or, if committed in two or more counties, then by the district attorney of any one of such counties, and at any time the attorney-general may supersede any district attorney in the prosecution of any such misdemeanor in any county.

(6) In addition to the criminal liability, imprisonment and fine above provided, a civil penalty is hereby prescribed and imposed, which shall be one hundred dollars for each such offense hereinbefore defined to be recovered by the attorney-general in an action against the person or persons, including corporations, who have committed any such offense or offenses, which action shall be maintained in the name of the people of the state. Such civil penalty shall be cumulative, and when any such offense or offenses shall be committed in whole or in part upon more than one day, such civil penalty shall be recoverable for each such day.

(7) The attorney-general, with the consent of the commissioner of education, may compromise claims for such penalties, and accept less than the amount claimed, or due, before or after an action has been begun. No compromise may be made, however, after a decision made or verdict rendered, except pursuant to section thirty-four of the state finance law.

(8) Notwithstanding the provisions of any other general, local or special law, all penalties, fees and other moneys derived from the operation of the provisions of this article shall be paid to the department, and shall be available to the department together with the appropriations made from time to time by the legislature, for the payment of all salaries and other proper expenses incurred in the administration and enforcement of the provisions of this article, including a sufficient amount to pay the salaries or other compensation of such deputies, special deputies or assistants as the attorney-general shall assign for the enforcement of this article. On the thirtieth day of June, beginning in the first year after this

act takes effect and each year thereafter, the department shall pay any balance of such sums remaining in their hands into the state treasury.

(9) The display or uttering within the state of a card, sign, advertisement or other printed, engraved or written instrument or device bearing a person's name in conjunction with the words "certified public accountant" or any abbreviation thereof, or the letters "C. P. A.," shall be prima facie evidence in any prosecution, proceeding or hearing that the person whose name is so displayed caused or procured the display or uttering of such card, sign, advertisement or other printed, engraved or written instrument or device and that such person is holding himself out to be a certified public accountant. In any prosecution or proceeding under this article, evidence of the commission of a single act prohibited by this article shall be sufficient to justify a conviction or the recovery of any civil penalty as the case may be without evidence of a general course of conduct.

1494. The regents shall revoke, or shall suspend for a term to be fixed by them, the certificate or the indorsement of the certificate of any certified public accountant who has been convicted of a felony under the laws of the state or of the United States, or of any misdemeanor as defined in this article, or of any atrocious crime in any jurisdiction.

Revocation
or
suspension

1494-a. The regents shall also have power, upon the recommendation of the board, and after due notice and an opportunity to be heard, to revoke or suspend the certificate or the indorsement of the certificate of any certified public accountant who is found guilty by the board or a majority thereof, after due notice and a hearing, of any fraud or deceit in obtaining, either for himself or for any other person, either a certificate or an indorsement of a certificate of certified public accountant issued pursuant to this article.

1494-b. The regents shall also have power, upon the recommendation of the board, and after due notice and an opportunity to be heard, to revoke or suspend the indorsement of the certificate of certified public accountant issued to any person pursuant to section fourteen hundred and ninety-two-a of this article upon evidence that the duly constituted authorities of any state or political subdivision of the United States have lawfully revoked or suspended the certificate of certified public accountant issued to such person by such state or political subdivision.

Revocation
of
indorsements

**Committee
on
grievances**

1495. Within sixty days after this act shall take effect the regents shall appoint a committee on grievances, which shall consist of ten members, each of whom shall be a certified public accountant in good standing for at least ten years prior to his appointment. The term of office of each of said members shall be five years except that upon the taking effect of this act two members shall be appointed for a term of one year; two members for a term of two years; two members for a term of three years; two members for a term of four years, and two members for a term of five years; and as such terms respectively expire the vacancies in the membership of the committee shall be filled by the appointment by the regents of two members whose terms shall be five years from the expiration of the terms of their predecessors. Any vacancy caused by resignation, death or otherwise shall be filled by the appointment by the regents of a new member to serve for the unexpired term. The members of the committee shall serve without compensation. They shall at their first meeting, and thereafter annually, within ten days after the first day of January of each year, elect from their own number a chairman and a secretary. Seven members of the committee shall constitute a quorum.

**Jurisdiction
of
committee**

1495-a. The members of the committee shall have jurisdiction to hear charges against certified public accountants for any fraud, deceit, or gross negligence in the public practice of accountancy, and the regents may, upon the receipt from the committee of the record, findings and determination of the committee wherein and whereby any certified public accountant shall have been found guilty of any such fraud, deceit or gross negligence, and after due notice and an opportunity to be heard, revoke and annul his certificate or the indorsement of his certificate as a certified public accountant, or suspend him from practice as a certified public accountant, or reprimand him.

**Proceedings
before
committee**

1495-b. Proceedings against any certified public accountant for any fraud, deceit or gross negligence in the public practice of accountancy shall be commenced by filing a written charge with the commissioner of education, and if it shall appear to the commissioner of education that there is probable cause to believe that the certified public accountant against whom such charge has been filed has committed any fraud, deceit or gross negligence in the public practice of accountancy, the charge shall be referred to the chairman of the committee, who shall designate a sub-

committee of three impartial members of the committee to hear the same, and he shall also fix a time and place for the hearing, and a copy of the said charge, together with a notice of the time and place fixed for the hearing, shall be served upon the complainant and respondent at least ten days before the date so fixed. At any such hearing the complainant and the respondent may appear both in person and by counsel, and the respondent may make answer to the charge, produce witnesses and evidence on his own behalf, cross-examine witnesses, and examine such evidence as may be produced against him. A stenographic record of the hearing shall be kept. The members of such sub-committee before whom the hearing shall be held shall make a written report to the committee of their joint or several findings and recommendations, and the same shall be forthwith transmitted to the secretary of the committee with the stenographer's minutes and the evidence or a transcript thereof. If by a vote of a majority of the members of the committee the respondent is found guilty of the charge against him, the committee shall transmit to the regents the record, findings, recommendations and determination of the committee, and the regents, after giving the respondent due notice and an opportunity to be heard, shall in their discretion execute an order affirming, modifying or reversing such determination of the committee. Nothing herein contained shall be deemed to prevent the regents from initiating or prosecuting any charges or proceedings in any case against any certified public accountant.

1495-c. The board or any member thereof or the committee or any member thereof may issue subpoenas to compel the attendance of witnesses, and may administer oaths, take testimony, hear proofs and receive exhibits in evidence in connection with or upon any hearing under this article or in any matter relating to the official duties of the board or the committee or which the board or the committee may lawfully investigate. It shall be the duty of the board or the committee respectively to issue subpoenas at the request of any certified public accountant against whom charges are to be heard by the board or the committee. The board or the committee shall not be bound by technical rules of evidence, but any determination shall be founded upon sufficient legal evidence to sustain the same. The department shall in its discretion furnish such records, advice and assistance to the board or the committee as may be requested by the board or the committee or may be deemed necessary by the department.

Subpoenas,
oaths,
evidence

Order of
certiorari

1495-d. Any certified public accountant whose certificate or indorsement is revoked or who is suspended or reprimanded under any of the provisions of this article, may have an order of certiorari to review such determination.

Disqualifica-
tions

1495-e. No member of the committee shall participate in any way in the hearing or determination of any charges in which he may be either a complainant or a witness or a respondent or an implicated person, or in any case wherein any of the parties, either complainant or respondent or implicated, are related to him by consanguinity or affinity within the sixth degree. If for any reason three or more members of the committee shall be disqualified or otherwise unable to participate in the determination of any case, their places shall be temporarily filled for the purposes of such case by the appointment by the regents of temporary members of the committee, having the qualifications required by section fourteen hundred and ninety-five of this article, in place of the members disqualified or otherwise unable to participate.

Removal
from office

1495-f. The regents may remove any member of the committee from office who shall have been found guilty, after notice and a hearing, of malfeasance in office or of neglect of duty.

Rules and
regulations

1495-g. The committee shall have power to make such rules and regulations, not inconsistent with law or the rules of the regents, for the conduct of its duties and proceedings as it shall deem reasonably necessary.

Certificates
of dismissal
of charges

1495-h. When a proceeding under this article has been dismissed the department shall issue a certificate to such effect.

Suspensions
in certain
cases

1495-i. Whenever, after the exercise of due diligence, the board or the committee shall be unable to effect personal service of any notice of hearing under this article upon any certified public accountant, the regents shall have power to suspend the certificate or indorsement of the certificate of any such certified public accountant, if he shall fail to appear before the board or the committee within one week after notice to him by the department requiring such appearance by him shall have been published once in each week for three successive weeks in a newspaper of general circulation in the county wherein he was last known to have resided or to have engaged in the public practice of accountancy and shall have been mailed to him at his last known post-office address.

Reissue of
certificates

1496. The regents may in their discretion reissue a certificate or indorsement of a certificate as a certified public accountant to any person whose certificate or indorsement shall have been re-

voked pursuant to section fourteen hundred and ninety-four of this article after pardon of such person by the president of the United States, or by the governor or other pardoning authority in the jurisdiction wherein the conviction was had.

1496-a. The regents may also, upon recommendation of the board, reissue a certificate or indorsement as a certified public accountant to any person whose certificate or indorsement shall have become void pursuant to sections fourteen hundred and ninety-two or fourteen hundred and ninety-two-a of this article, provided such person shall have become a citizen of the United States.

1496-b. The regents may also, upon recommendation of the board, reissue a certificate or indorsement as a certified public accountant to any person whose certificate or indorsement shall have been revoked pursuant to sections fourteen hundred and ninety-four-a or fourteen hundred and ninety-four-b of this article, or upon recommendation of the committee, may reissue a certificate or indorsement as a certified public accountant to any person whose certificate or indorsement shall have been revoked pursuant to section fourteen hundred and ninety-five-a hereof.

1497. Nothing contained in this article shall be deemed to prohibit the use of the words "certified public accountants" in connection with the copartnership name of any copartnership engaged in the state in the public practice of accountancy provided that such copartnership shall obtain from the department, upon the recommendation of the board, and upon the payment of a fee to be fixed by the department, a certificate that such copartnership has been registered by the department pursuant to this section. No such certificate shall be issued to any copartnership which has failed to comply with any provision of the partnership law applicable thereto, or with any provision of this section. Application for registration of any copartnership pursuant to this section must be made to the board upon the verified affidavit of a general partner of such copartnership who is a certified public accountant of the state in good standing. Such affidavit must set forth the copartnership name and the post-office address thereof within the state, and the address of the principal office thereof, wherever located, together with the name, residence and post-office address of each general or limited partner of such copartnership; and it must be made to appear to the satisfaction of the board that each partner resident or engaged within the United States in the public practice

Co-
partnerships

of accountancy is in good standing as a certified public accountant of one or more of the states or political subdivisions of the United States, and that each partner resident or engaged within the state in the public practice of accountancy is a certified public accountant of the state in good standing, and that no state or political subdivision of the United States has revoked the certificate of certified public accountant of any partner of such copartnership for his misconduct. The regents shall have power in their discretion, or upon the recommendation of the board, after notice and a hearing, to revoke the registration of any copartnership pursuant to this section obtained by either misrepresentation or suppression of any material fact, or in case the certificate or indorsement of any partner thereof shall be revoked as provided in this article, or in case any other state or political subdivision of the United States shall for his misconduct revoke the certificate of certified public accountant issued to any partner by such state or political subdivision, or in case at any time such copartnership shall not have a partner who is a certified public accountant of the state in good standing and a resident of or regularly engaged within the state in the public practice of accountancy, or in case any partner of such copartnership who is not a certified public accountant of the state shall reside or engage within the state in the public practice of accountancy, or in case any person shall become a partner in such copartnership without notice thereof being given in writing to the department not later than one month thereafter. Whenever the registration of any copartnership pursuant to this section shall have been revoked, the proof of such registration shall not be admissible in evidence in any civil or criminal action, prosecution, trial, hearing or proceeding arising out of or founded upon any provision of this article with respect to any matter or thing occurring subsequent to the date of such revocation.

Department
supervision

1498. The provisions of this article shall be administered subject to sections forty-five and fifty-one of this chapter.

1498-a. Subsequent to January first, nineteen hundred and thirty-eight, every candidate for examination for a certificate as a certified public accountant shall present evidence that he has satisfactorily completed the course of study in a college or school of accountancy registered by the department as maintaining a satisfactory standard, and that prior to the beginning of his course of study in such college or school of accountancy he satisfactorily completed a four year high school course approved for this

purpose or the equivalent as determined by the commissioner of education.

1499. If the courts of the state or of the United States shall adjudge any section or sections, provision or provisions of this article unconstitutional or void, then such determination shall affect only the section or sections, or provision or provisions so adjudged to be unconstitutional or void, and shall not affect any other section or provision of this article.

Effect of
invalid
provisions

2. This act shall take effect immediately.

NORTH CAROLINA

AN ACT to regulate the profession of public accounting in the state of North Carolina, and to prescribe its practice so as to afford protection to the public; and to repeal chapter one hundred and fifty-seven of the public laws of North Carolina, session of one thousand nine hundred and thirteen, entitled "An act to create a state board of accounting and prescribe its duties and powers; to provide for the examination and issuance of certificates to qualified applicants, with the designation of certified public accountants, and to provide the grade of penalty for violation of the provisions hereof." (Approved March 10, 1925. Amended, March 18, 1929.)

The general assembly of North Carolina do enact:

Public
accounting

Section 1. The term "practice of public accounting" as used in this act is defined as follows:

A person engaged in the practice of public accounting, within the meaning and intent of this act, who offers his or her services to the public as one who is qualified to render professional service in the analysis, verification and audit of financial records and the interpretation of such service through statements and reports.

Who may be
certified

Section 2. Any citizen of the United States, or person who has duly declared his intention of becoming such citizen, over twenty-one years of age and of good moral character, and who shall have received from the state board of accountancy a certificate of qualification admitting him to practise as a certified public accountant as hereinafter provided, or who is the holder of a valid and unrevoked certificate issued under the provisions of chapter one hundred and fifty-seven of the public laws of one thousand nine hundred and thirteen, shall be licensed to practise and be styled and known as a certified public accountant.

Use of title
"C. P. A."

Section 3. It shall be unlawful for any person who has not received a certificate of qualification admitting him to practise as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practise as a certified public accountant.

Use of title
"C. P. A."
by firms and
partnerships

Section 4. It shall be unlawful for any firm, copartnership, or association to assume or use the title of certified public accountant, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the members of such firm,

copartnership or association have been admitted to practise as certified public accountants, unless each of the members of such firm, copartnership or association first shall have received a certificate of qualification from the state board of accountancy admitting him to practise as a certified public accountant.

Section 5. It shall be unlawful for any corporation to assume or use the title of certified public accountant, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that such corporation has received a certificate of qualification from the state board of accountancy admitting it to practise as a certified public accountant.

Corporations
not to be certified

Section 6. It shall be unlawful for any person, firm, copartnership or association to engage in the practice of public accounting in the state of North Carolina unless such person, or each of the members of such firm, copartnership or association first shall have received from the state board of accountancy a certificate of qualification admitting him to practise as a certified public accountant. It shall be unlawful for any corporation to engage in the practice of public accounting in the state of North Carolina: provided, however, that nothing herein contained shall be construed to prohibit the practising of the profession of public accounting of any person, firm, copartnership, association, or corporation who shall at the time of the passage of this act be engaged in the practice of public accounting and maintaining an office as a public accountant in the state of North Carolina, or an accountant who has served two years or more as a civil service employee of the federal government in the capacity of senior field auditor.

Practice of
public
accounting

Section 7. Any person, firm, copartnership, association or corporation who shall at the time of the passage of this act be engaged in the practice of public accounting and maintaining an office as a public accountant in the state of North Carolina may, within six months after the passage of this act, apply to the state board of accountancy for registration as a public accountant, and the state board of accountancy, upon the production of satisfactory evidence that such applicant was engaged in the practice of public accounting and maintaining an office as a public accountant in the state of North Carolina at the time of the passage of this act, shall register such person, firm, copartnership, association or corporation. Such registration shall be conclusive evidence of the right of such person, firm, copartnership, association or corporation to engage in the practice of public accounting in the state of North

Registration
as public
accountant

Carolina, but such registration shall not be construed in any way as indicating that the state of North Carolina or the state board of accountancy has approved the educational and professional experience qualifications of the registrant.

Use of title
" public
accountant "

Section 8. It shall be unlawful for any person, firm, copartnership, association or corporation, not having qualified under this act, to assume or use the style or title of public accountant, or other means of identification to indicate that such person, firm, copartnership, or association or corporation is engaged in the practice of public accounting in the state of North Carolina: provided, however, that the inhibitions of this section shall not be construed to apply to any person, firm, copartnership, association or corporation who at the time of the passage of this act was engaged in the practice of public accounting and maintaining an office as a public accountant in the state of North Carolina.

Employment
of uncertified
persons

Section 9. Nothing contained in this act shall be construed to prohibit the employment by a certified public accountant, or by any person, firm, copartnership, association, or corporation permitted to engage in the practice of public accounting in the state of North Carolina, of persons, who have not received certificates of qualification admitting them to practise as certified public accountants, as assistant accountants or clerks: provided, that such employees work under the control and supervision of certified public accountants or public accountants, or do not certify to any one the accuracy or verification of audits or statements: and, provided further, that such employees do not hold themselves out as engaged in the practice of public accounting.

Certificates
from other
states

Section 10. A public accountant who holds a valid and unrevoked certificate as a certified public accountant, or its equivalent, issued under authority of any state, or the District of Columbia, and who resides without the state of North Carolina may perform work within the state: provided, that he register with the state board of accountancy and comply with its rules regarding such registration.

State board

Section 11. The state board of accountancy shall consist of four persons to be appointed by the governor, all of whom shall be the holders of valid and unrevoked certificates as certified public accountants heretofore issued under the provisions of chapter one hundred and fifty-seven of the public laws of one thousand nine hundred and thirteen or issued under the provisions of this act. They shall hold office for the term of three years and until their

successors are appointed: provided, that no appointments to the board shall be made under the provisions of this act until the expiration of the terms of the members of the present board. The powers and duties of the board shall be as follows:

(Subsection of Section 11.) (1) To elect from its members a president, vice-president and secretary-treasurer. The members of the board shall be paid for the time actually expended in pursuance of the duties imposed upon them by this act an amount not exceeding ten dollars (\$10) per day, and they shall be entitled to necessary traveling expenses. Powers and duties

(2) To employ legal counsel and clerical assistance and to fix the compensation of same, and to incur such other expenses as may be deemed necessary to carry into effect the provisions of this act.

(3) To formulate rules for the government of the board and for the examination of applicants for certificates of qualifications admitting such applicants to practise as certified public accountants.

(4) To hold written or oral examinations of applicants for certificates of qualification at least once a year, or oftener, as may be deemed necessary by the board. Examinations

(5) To issue certificates of qualification admitting to practise as certified public accountants to each applicant, who, being the graduate of an accredited high school or having an equivalent education, shall have had at least two years' experience or its equivalent next preceding the date of his application on the field staff of a certified public accountant or public accountant, one of which shall have been as a senior or accountant in charge, and who shall receive the endorsement of three certified public accountants of any state as to his eligibility to become a certified public accountant; or who, in lieu of the two years' experience or its equivalent above mentioned, shall have had one year's experience after graduating from a recognized school of accountancy; or an accountant who has served two years or more as a civil service employee of the federal government in the capacity of senior field auditor, and who shall have passed a satisfactory examination in theory of accounts, practical accounting, auditing, commercial law and other related subjects. Certificates

(6) In its discretion to grant certificates of qualification admitting to practise as certified public accountants, to such applicants who shall be the holders of valid and unrevoked certificates as certified public accountants, or its equivalent, issued by or under the au-

thority of any state or territory of the United States or the District of Columbia; or who shall hold a valid and unrevoked certificate or degree as certified public accountant or its equivalent issued under authority granted by a foreign nation; when in the judgment of the board the requirements for the issuing or granting of such certificate or degree are substantially equivalent to the requirements established by this act: provided, however, that such applicants signify their intention of engaging in the practice of public accounting within the state.

Fees

(7) To charge for each examination and certificate provided for in this act a fee of twenty-five dollars. This fee shall be payable to the secretary-treasurer of the board by the applicant at the time of filing application. If at any examination an applicant shall have received a passing grade in one subject, he shall have the privilege of one reëxamination at any subsequent examination held within eighteen months from the date of his application upon payment of a reëxamination fee of fifteen dollars. In no case shall the examination fee be refunded, unless in the discretion of the board the applicant shall be deemed ineligible for examination.

**Fee for
renewal**

(8) To require the renewal of all certificates of qualification annually on the first day of July, and to charge and collect a fee not to exceed five dollars for such renewal.

**Revocation
of
certificates**

(9) The board shall have the power to revoke any certificate issued under the provisions of chapter one hundred and fifty-seven of the public laws of one thousand nine hundred and thirteen, or issued under the provisions of this act, for good and sufficient cause: provided, that written notice shall have been mailed to the holder of such certificate at his last known address twenty days before any hearing thereof, stating the cause of such contemplated action, and appointing a time for a hearing thereon by the board: and, provided further, that, except for failure to renew such certificate and to pay the renewal fee thereof, no certificate shall be revoked until such hearing shall have been had. At all such hearings the attorney-general of the state, or one of his assistants designated by him, shall sit with the board with all the powers of a member thereof.

**Rules for
registration
as "C. P. A."**

(10) Within sixty days after the passage of this act, the board shall formulate rules for the registration of those persons, firms, copartnerships, associations or corporations who, not being holders of valid and unrevoked certificates as certified public accountants issued under the provisions of chapter one hundred and fifty-seven

of the public laws of one thousand nine hundred and thirteen, and who, having at the time of the passage of this act, been engaged in the practice of public accounting and maintaining an office as a public accountant in the state of North Carolina, shall, under the provisions of section seven of this act, apply to the board for registration as public accountants. The board shall maintain a register of all persons, firms, copartnerships, associations or corporations who have made application for such registration and have complied with the rules of registration adopted by the board.

(11) Within sixty days after the passage of this act the board shall formulate rules for registration of those public accountants who are qualified to practise under this act and who under the provisions of section ten of this act are permitted to engage in work within the state of North Carolina. The board shall have the power to deny or withdraw the privilege herein referred to for good and sufficient reasons.

Rules for registration of "public accountants"

(12) To submit to the commissioner of revenue the names of all persons who have qualified under this act as practitioners of public accountancy, and who have complied with the rules of the board. The commissioner of revenue shall issue only to those whose names are so submitted to him by the board, a license for the privilege of practising the profession of public accountancy, and the license so issued shall be evidence of his registration with the board.

Licenses for "public accountants"

(13) The board shall keep a complete record of all its proceedings, and shall annually submit a full report to the governor.

Records and reports

(14) All fees collected on behalf of the state board of accountancy, and all receipts of every kind and nature, as well as the compensation paid the members of the board and the necessary expenses incurred by them in the performance of the duties imposed upon them by this act, shall be reported annually to the state treasurer. Any surplus remaining in the hands of the board over the amount of three hundred dollars shall be paid to the state treasurer at the time of submitting the report and shall go to the credit of the general fund: provided, that no expense incurred under this act shall be charged against the state.

(15) Any certificate of qualification issued under the provisions of this act, or issued under the provisions of chapter one hundred and fifty-seven of the public laws of one thousand nine hundred and thirteen, shall be forfeited for the failure of the holder to renew same and to pay the renewal fee therefor to the state board of

Renewals

accountancy within thirty days after demand for such renewal fee shall have been made by the state board of accountancy.

Violations
and penalties

(16) Any violation of the provisions of this act shall be deemed a misdemeanor, and upon conviction thereof, the guilty party shall be fined not less than fifty dollars and not exceeding two hundred dollars for each offense.

(17) If any section, sub-section, clause or phrase of this act is for any reason held to be unconstitutional by the courts of this state or of the United States, then such decision shall affect only that section, sub-section, clause or phrase so declared to be unconstitutional, and shall not affect any other section, sub-section, clause or phrase of this act.

Accounts of
public
officers

Section 12. Nothing herein contained shall be construed to restrict or limit the power of authority of any state, county or municipal officer or appointee engaged in or upon the examination of the accounts of any public officer, his employees or appointees.

Repeal

Section 13. Chapter one hundred and fifty-seven of the public laws of one thousand nine hundred and thirteen of North Carolina being "An act to create a state board of accountancy and prescribe its duties and powers; to provide for the examination and issuance of certificates to qualified applicants, with the designation of certified public accountant, and to provide the grade of penalty for violation of the provisions hereof," read in the general assembly three times and ratified this the twelfth day of March, one thousand nine hundred and thirteen, is hereby repealed.

Section 14. This act shall be in effect from and after its ratification.

NORTH DAKOTA

AN ACT to create a state board of accountancy and prescribing its duties and powers; to provide for the examinations of and issuance of certificates to qualified accountants, with the designation of certified public accountants; to provide the penalty for violations of the provisions thereof; and to repeal sections 549, 550, 551, 552, 553, 554, 555, 556 and 557 of the compiled laws of North Dakota for the year 1913 and all other acts or parts of acts in conflict therewith. (Approved, March 7, 1925.)

Be it enacted by the legislative assembly of the state of North Dakota:

Section 1. Within thirty days after the passage of this act, the governor of the state shall appoint a board of three certified public accountants, which board shall be known as the state board of accountancy. State board

Section 2. The members of such board shall hold office for three years or until their successors are appointed and have qualified, except that for the members first appointed under the act, one shall hold office for one year, one for two years and one for three years. The term of office for each shall be designated at the time of his appointment. Thereafter one member shall be appointed for the full term. Terms of office

Section 3. The board shall organize by the election of one of its members as president, one member as secretary and one as treasurer, provided, however, that the office of secretary and treasurer may be held by one person. Officers of board

Section 4. The board shall keep a complete record of all its proceedings and shall present annually to the governor a detailed statement of the receipts and disbursements of said board during the preceding year, with a statement of its acts and proceedings and such recommendations as said board may deem proper. Reports and records

Section 5. The board shall be authorized:

(a) To administer oaths to all applicants or persons appearing before the board in respect to investigations, examinations or the issuance of C. P. A. certificates. Powers and duties

(b) To conduct investigations and examinations and issue certificates to properly qualified accountants;

(c) To determine the qualifications of all applicants;

(d) To establish such rules and regulations as may be requisite properly to carry out the purposes of this act and maintain a high

standard of integrity, education and proficiency among the holders of C. P. A. certificates.

Examinations

Section 6. Written examinations of applicants shall be held as often as may be necessary in the opinion of the board, and at such times and places as it may designate, but not less than one in each calendar year.

If five or more persons apply for examinations, the board shall hold an examination for such applicants. Examination may be both oral and written, at the discretion of the board.

Examination subjects

Section 7. The written examination shall at least cover four general subjects, with a minimum time allowance, as follows:

(a) theory of accounts, 3 hours; (b) practical auditing, 6 hours; (c) auditing, 3 hours; (d) commercial law, 3 hours; and such other subjects as may be required by the board. Seventy-five per cent shall be required in each subject.

Who may be certified

Section 8. Any citizen of the United States, or one who, in good faith, has declared his intention of becoming such citizen (in which case he may become a citizen within one year after the time allowed by law or the certificate shall be revoked by the board), being a bona-fide citizen of North Dakota, over the age of twenty-one years, of good moral character, a graduate of a high school of recognized standing with a four year course, or possessing an education fully equivalent thereto, who has had at least three years' accounting experience, two of which shall have been in public practice on his own account or in the office of a certified public accountant in active practice, or who has completed a course of not less than two years in accountancy in some state institution or some other school of recognized standing and has passed a satisfactory examination (unless otherwise exempt from such examination as herein provided), shall receive a certificate of his qualifications to practise as a certified public accountant. And it shall be unlawful for any person or partnership, all of the members of which have not received such a certificate, or a corporation to assume such title or the abbreviations, C. P. A., C. A., or any other words, letters or abbreviations, tending to indicate that the person, firm or corporation so using the name is a certified public accountant without first having received said certificate. All certificates to practise as a certified public accountant in North Dakota heretofore issued and in force and effect under the existing laws of this state shall remain in full force unless revoked in manner by this act provided.

Section 9. The board may, in its discretion, upon application in writing, waive the examination of and issue a certificate to any non-resident certified public accountant who has the qualifications other than residence in North Dakota, required by this act and the rules of the board, provided that such person shall submit to the board such evidence as to qualifications as may be required by and be satisfactory to the board, who for not less than three years has had the degree of certified public accountant issued by or under the authority of another state, provided that the standards prescribed by law and the rules of the board are, in the opinion of the board, fully equivalent to the standards maintained in this state. If for any reason, the certificates of original issue be revoked or cancelled, the board of accountancy of this state shall forthwith revoke and cancel the certificates issued to such person in accordance with this section.

Certificates
from other
states

Section 10. The board shall have the power to revoke any certificates then in force:

Revocation
of
certificates

- (a) If a holder thereof shall have been convicted of a felony;
- (b) If he shall be found guilty of conduct involving moral turpitude;
- (c) For fraud or misrepresentation in application for certificate or in the examination thereof;
- (d) For failure on the part of the applicant, who at the time of issue of certificate is not a citizen of the United States, to qualify in accordance with the provisions of section 8 of this act.

No certificate shall be revoked except after a hearing thereon and by a majority of the board; the attorney general of the state or an attorney designated by him shall attend and act as the legal advisor of the board. Written notice of such proposed hearing shall be mailed to the holder of such certificate at his last known address at least twenty (20) days before the date thereof, stating the basis for such proposed action or revocation, and appointing a time and place for such hearing. At such hearing the board shall have the power to compel the attendance of witnesses, to administer oaths, and to examine witnesses under oath.

The board shall keep a complete record of all proceedings with respect to the revocation of any certificate.

Section 11. Each applicant for examination shall pay to the board a fee of twenty-five dollars (\$25.00) at the time of filing his application. In no case shall such fee be returned. If the applicant fails to pass the examination, he shall be entitled to take another

Fees

examination within one year, at any time at which there are other applicants to be examined, provided he has failed in the first instance in not more than one-half of the subjects covered by the examination.

Traveling expenses

Section 12. The members of the board, to be appointed under this act, shall be paid their necessary traveling expenses while in the pursuance of the duties imposed upon them by this act.

Expenses of board

Section 13. From the fees collected, the board shall pay all expenses incident to the examinations to be held under this act, the expenses of preparing and issuing certificates, the traveling expenses of examiners while performing their duties under this act, stationery, printing, clerk hire, and incidental office expenses, provided that no expense incurred under this act shall be a charge against the funds of the state.

Falsification

Section 14. (a) Any certified public accountant who shall be found guilty of falsifying a report, statement, investigation or audit shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than one hundred dollars (\$100.00) or more than five hundred dollars (\$500.00), or by imprisonment for a period of not exceeding six months or by both such fine and imprisonment, in the discretion of the court.

Violations and penalties

(b) Any person representing himself or herself to the public as having received a certificate as a certified public accountant, as provided in this act, or who shall assume to practise as a certified public accountant, without first having received such certificate, or if any person having received such certificate shall hereafter lose the same by revocation, as provided for in this act, and shall continue to practise as a certified public accountant, or use such title or any other title mentioned in section eight (8) of this act, or if any person shall violate any of the provisions of this act, such person shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than fifty dollars (\$50.00) and not exceeding three hundred dollars (\$300.00) or by imprisonment for a period not to exceed ninety days or by both such fine and imprisonment, in the discretion of the court.

Repeal

Section 15. That sections 549, 550, 551, 552, 553, 554, 555, 556 and 557 of the compiled laws of North Dakota for the year 1913 and all acts and parts of acts in conflict with this act are hereby repealed.

Emergency

Section 16. Whereas an emergency exists in that the present accountancy law contains no provision for penalty for its infrac-

tion, and under the decision of the North Dakota supreme court no protection is now given to the public or those holding a C. P. A. certificate issued by the state board of accountancy, it is hereby declared that this act shall take effect upon its passage and approval.

OHIO

CHAPTER 26

(Approved, May 9, 1908.)

State board
of
accountancy

Section 1370. There shall be a state board of accountancy consisting of three members, not more than two of whom shall belong to the same political party. Each member of the board shall be a person skilled in the knowledge and practice of accounting and actively engaged as a professional public accountant within this state.

Appointment
and terms of
members

Section 1371. Each year the governor shall appoint one member of the state board of accountancy who shall serve for a term of three years and until his successor is appointed and qualified. A vacancy in the board shall be filled by the governor by appointment for the unexpired term.

Organization
of the board

Section 1372. The state board of accountancy shall organize by the election of one of its members as president and one as secretary and treasurer. The secretary and treasurer shall give a bond in such sum and with such sureties as the board directs. The board shall keep a record of its proceedings.

Certified
public
accountant

Section 1373. A citizen of the United States or a person who has duly declared his intention to become such a citizen, not less than twenty-one years of age, of good moral character, a graduate of a high school or having received an equivalent education, with at least three years' experience in the practice of accounting and who has received from the state board of accountancy as herein provided a certificate of his qualifications to practise as a public accountant shall be styled and known as a certified public accountant. No other person shall assume such title or use the abbreviation, "C. P. A." or other words or letters to indicate that he is a certified public accountant.

Examination

Section 1374. Each year the state board of accountancy shall hold an examination for such certificate. Each applicant shall be examined in theory of accounts, practical accounting, auditing and commercial law as affecting accountancy. If three or more persons apply for certificates within not less than five months after the annual examination the board shall hold an examination for them. The time and place of each examination shall be fixed by the board.

Fee for
examination

Section 1375. At the time of filing the application for such examination and certificate, each applicant shall pay to the treasurer of the state board of accountancy a fee of twenty-five dollars.

Such application fee shall not be refunded, but an applicant may be re-examined without the payment of an additional fee within eighteen months from the date of his application.

Section 1376. A person who is a citizen of the United States or has declared his intention of becoming such citizen, who is at least twenty-one years of age, of good moral character, who has complied with the rules and regulations of the state board of accountancy, and who holds a valid and unrevoked certificate as a certified public accountant issued under the authority of another state or territory of the United States or the District of Columbia, or of a foreign nation, may receive from the board a certificate as a certified public accountant if the board is satisfied that the standards and requirements for a certificate as a certified public accountant thereof are substantially equivalent to those established by this chapter. Such person may thereafter practise in this state as a certified public accountant and assume and use the name, title and style of "certified public accountant" or any abbreviation or abbreviations thereof.

Certificates of other states, territories or foreign nations

Section 1377. For sufficient cause the state board of accountancy may revoke a certificate issued under this chapter if a written notice has been mailed to the holder thereof at his last known address at least twenty days before hearing thereon. Such notice shall state the cause of such contemplated action and appoint a time for hearing thereon by the board. No certificate issued under this chapter shall be revoked until after such hearing.

Revocation of certificates

Section 1378. From fees collected under this chapter the board shall pay the expenses incident to its examinations and the expenses of preparing and issuing certificates, and to each member of the board for the time actually expended in the performance of his duties a sum not exceeding five dollars per day and his necessary traveling expenses. In no case shall the expenses of the board or the compensation or traveling expenses of the members thereof be a charge against any fund of the state.

Compensation and expenses

Section 1379. Nothing contained in this chapter shall be construed so as to prevent any person from being employed within this state as a public accountant.

How this chapter to be construed

CHAPTER 16

FRAUDS

Section 13176. Whoever represents himself as having received from the state board of accountancy a certificate of his qualifica-

Unlawfully
practising as
certified
public
accountant

tions to practise as a public expert accountant as provided by law, or practises as a certified public accountant or uses the abbreviations "C. P. A." or other similar words or letters to indicate that he is qualified to practise in this state as a certified public accountant, without having received such certificate as provided by law, or having had such certificate revoked as provided by law, continues to practise as a public accountant, shall be fined not less than ten dollars nor more than one hundred dollars for each offense.

OKLAHOMA

AN ACT regulating the practice of auditing and accounting in the state of Oklahoma, creating a state board of accountancy and prescribing its powers and duties, and fixing compensation of appointive member; providing for the examination and certification of professional accountants, and prescribing penalty for violation of provisions of act or for making false or fraudulent reports; and repealing all acts in conflict therewith (Approved, March 29, 1917.)

Be it enacted by the people of the state of Oklahoma:

Section 1. There is hereby created a board to be known as the state board of accountancy, to be composed of the state examiner and inspector, the attorney general and one member to be appointed by the governor. Said member shall be of good moral character and a citizen of the state, and shall have had at least three years of practical experience as a public accountant on his own account in the state immediately preceding his appointment. Provided, that following the first appointment hereunder the member so appointed shall be a certified public accountant under the provisions hereof.

State board
of
accountancy

Section 2. Within thirty days following the passage and approval of this act, the governor shall appoint a person possessing the qualifications specified in section 1 hereof, as a member of the state board of accountancy, who shall hold office until June 30th, 1919; and thereafter the term of office of the appointive member of said board shall be three years, or until his successor shall be appointed and qualified. All vacancies as to the appointive member of said board caused by death, resignation, removal from the state, or otherwise, shall be filled by appointment from the roster of certified public accountants created under this act. Said appointment shall be for the unexpired portion only of the regular term in which such vacancies exist. The revocation of the certificate of the member of the board shall terminate his membership thereon.

Appointment
of member

Section 3. The board shall organize by the selection of any of its members as president, one member as secretary, and one member as treasurer; provided, however, that the office of secretary and treasurer may be held by one person. The board shall keep a complete and correct record of all its proceedings, and shall present annually to the governor a detailed statement of the receipts and disbursements of said board during the preceding year, with a

Officers of
board

statement of its actions and proceedings, and such recommendations as said board shall deem proper.

Duties of
board

Section 4. The board shall have authority subject to the requirements hereof, to confer degrees, as follows:

- (a) Certified commercial accountant,
- (b) Certified municipal accountant,
- (c) Certified public accountant,

and shall be authorized:

(1) To administer oaths to all applicants or persons appearing before the board in respect to investigations, examinations or the issue of certificates;

(2) To conduct investigations and examinations;

(3) To determine the qualifications of applicants;

(4) To issue certificates to properly qualified applicants;

(5) To establish such rules and regulations as may be requisite to properly carry out the purpose of this act and to maintain a high standard of integrity, education and proficiency among holders of certificates issued as herein provided.

Examination

Section 5. Examination of applicants shall be held at the state capital twice each year, beginning on the second Mondays in April and October. Applicants shall file with the secretary of the board not less than thirty days prior to the time for holding examinations a written notice of their intention to take the examination and shall specify therein the class of certificates for which they desire to be examined. Examinations may be both oral and written, at the discretion of the board; provided, that all persons now practising as public accountants, either on their own account or under appointment as assistant or as deputy state examiner and inspector, shall qualify under the provisions of this act within one year from June 30th, 1917, and the penalty provided in this act is hereby suspended, as to such persons, until on and after July 1st, 1918.

" Certified
commercial
accountant "
examination

Section 6. The written examination of applicants for the degree of "certified commercial accountant" shall at least cover the four general subjects with a minimum time allowance as follows:

(a) theory of accounts, 3 hours; (b) practical accounting, 6 hours; (c) auditing (commercial), 3 hours; (d) commercial law, 3 hours.

" Certified
municipal
accountant "
examination

The written examination of applicants for the degree of "certified municipal accountant" shall at least cover the four general subjects, with a minimum time allowance, as follows:

(e) theory of accounts, 3 hours; (f) auditing (governmental), 6 hours; (g) revenue and taxation, 3 hours; (h) powers, duties and compensations of public officials, 3 hours.

The board may add such other subjects as it may deem appropriate and necessary. Seventy-five per cent shall be required in each subject. The degree "certified public accountant" shall be conferred by the board upon all persons who have attained the degrees of "certified commercial accountant" and "certified municipal accountant," provided that any applicant so desiring shall have the privilege of taking both the "certified commercial accountant" and "certified municipal accountant" examinations at one time.

Degrees
conferred

Section 7. Any citizen of the United States, over the age of twenty-one years, of good moral character, who has passed satisfactorily the examination herein provided for, shall receive a certificate of his qualifications to practise as a professional accountant. Every person holding such a certificate and every co-partnership of accountants, every member of which shall hold such a certificate, may assume and use the title or abbreviations indicative of the degree conferred by the board. No other person or firm and no corporation shall assume or use the title "certified commercial accountant," "certified municipal accountant," "certified public accountant," or the abbreviations, "C. C. A.," "C. M. A.," "C. P. A.," or any other words, letters or figures to indicate that such person, firm or corporation is certified as a professional accountant.

Use of titles

Section 8. The board may, in its discretion, upon application in writing, waive the examination of and issue a certificate to any person of good moral character, a graduate of a high school of recognized standing with a four years' course, or possessing an education fully equivalent thereto and who is otherwise qualified as required by this act and the rules of the board, and who for not less than three years has had the degree of "certified public accountant" conferred by or under the authority of another state; provided, that such certificate was issued with the approval of the state board of accountancy or examiners of the state issuing; and provided further, that the provisions of this section shall be held to apply only to such boards of public accountancy as accept, without examination of the holder thereof, certificates granted by the board of this state; and, provided further, that the standards prescribed by law or the rules of the board and examinations conducted are in the opinion of the board fully equivalent to the standards main-

Waiver

tained in this state. All applicants hereunder shall submit such evidence as to qualifications as may be required by and be satisfactory to the board. If for any reason, the certificate of original issue be revoked or cancelled, the board of accountancy of this state shall forthwith revoke and cancel the certificate issued to such person in accordance with this section.

Revocation
of
certificates

Section 9. The board shall have the power to revoke any certificate, if the holder thereof

- (a) shall have been convicted of a felony;
- (b) shall be found guilty of conduct involving moral turpitude;
- (c) shall certify to false or fraudulent statement or statements in relation to any audit or examination;
- (d) shall be found guilty of fraud or misrepresentation in application for the certificate or in the examination thereof.

No certificate shall be revoked except after a hearing thereon, at which hearing at least a majority of the board shall be present. Written notice of such proposed hearing shall be mailed to the holder of such certificate at his last known address at least twenty (20) days before the date thereof, stating the grounds or cause for such proposed action or revocation, and appointing a time and place for such hearing. At such hearing the board shall have the power to compel the attendance of witnesses, to administer oaths and examine witnesses under oath. The board shall keep a complete record of all proceedings with respect to the revocation of certificate.

Titles
conferred

Section 10. The first state board of accountancy, as provided herein, shall confer upon the state examiner and inspector, and the member appointed by the governor, the degree and the title of "certified public accountant."

Expert
accountant

Section 11. An expert accountant is hereby defined as a person skilled in the knowledge and science of accounting and who is the holder of a "certified public accountant" certificate issued in pursuance of the provisions of this act.

Fee

Section 12. Each applicant for examination and certificate shall pay to the board a fee of twenty-five (\$25.00) dollars at the time of filing his application. In no case shall such fee be returned. If the applicant fails to pass the examination he shall be entitled to take another examination without additional fee within one year. All fees collected hereunder shall be paid into the state treasury, as provided by law, and accrue to the general revenue fund. The expenses incident to the examinations held under this

act, including the expense of preparing and issuing certificates, stationery, printing and the traveling expenses and per diem of the appointive member of the board, while in the performance of duty under this act, shall be a proper charge and shall be paid from the contingent fund appropriated to the use of the state examiner and inspector, provided, that in no event shall payments be made therefrom in excess of the amount of fees collected and covered into the treasury under the provisions of this act.

Section 13. The member of the board appointed under the provisions of this act shall be paid for the time actually employed in the performance of duties imposed by this act an amount not exceeding ten dollars (\$10.00) per diem, and shall also receive actual and necessary traveling expenses.

Compensa-
tion of
member

Section 14. No person shall be permitted to practise or hold himself out as a public or expert accountant or auditor for compensation either by using or subscribing his own name or the name of any other person or firm, unless he has been previously certified as a professional accountant under the provisions of this act.

Certification
of
accountants

Section 15. Any person, firm or corporation who shall illegally hold himself or itself out as having received or as being the holder of the degree of "certified commercial accountant," "certified municipal accountant," "certified public accountant," or shall assume or practise thereunder as such, or use the initials "C. C. A.," "C. M. A.," "C. P. A.," or any other letters, words or figures, without having received a certificate of qualification as such professional accountant from the state board of accountancy, be deemed guilty of a misdemeanor.

Violations

Section 16. Any person holding a degree hereunder who shall through gross negligence or who shall knowingly make a false report, shall be deemed guilty of a felony, and upon conviction thereof shall be punished by imprisonment in the penitentiary for a period of not exceeding five years, and by a fine of not less than one hundred dollars (\$100.00).

Falsification
of reports

Section 17. All acts and parts of acts in conflict herewith are hereby repealed.

OREGON

AN ACT to create a state board of accountancy and to prescribe its powers and duties, to provide for the examinations of and issuance and revocation of certificates to qualified applicants, and to provide a penalty for the violation of this act. (Approved, Feb. 21, 1913.)

Be it enacted by the people of the state of Oregon:

Who may be certified

Section 1. That any person residing or having an office for the regular transaction of the business of accountancy in the state of Oregon, being over the age of twenty-one years and of good moral character, being also a citizen of the United States, or having in good faith duly declared his intentions of becoming such, and who shall have received from the state board of accountancy a certificate of his qualifications to practise as a public expert accountant, as hereinafter provided, shall be styled and known as a "certified public accountant," and no other person and no partnership all of the members of which have not received such certificate and no corporation shall assume such title or the title of "certified public accountant," or use the abbreviation "C. P. A." or any other words, letters or abbreviations tending to indicate that the person, firm or corporation so using the same is a certified public accountant.

Use of title "C. P. A."

State board of accountancy

Section 2. The governor shall, within thirty days after the passage and approval of this act, appoint five persons residing in this state, who shall be skilled in the practice of accounting, and who shall have been actively engaged therein on their own account within the state of Oregon for a period of at least two years next preceding the passage of this act, to constitute and serve as a state board of accountancy. The members of such board shall hold office for four years and until their successors are appointed and have qualified; save and except that one of the members of the board first to be appointed under this act shall hold office for one year; one for two years; one for three years; and two for four years. Any vacancy that may occur from any cause shall be filled by the governor for the unexpired term; provided that all appointments made after the first board must be made from the roll of certificates issued and on file in the office of the governor.

Rules and regulations

Section 3. The state board of accountancy shall make all needful rules and regulations regarding the qualifications and

experience of persons applying for certificates under this act, the conduct of the examinations herein provided for or their character or scope, the method and time of filing applications for examination and their form and contents and all the rules and regulations necessary to carry into effect the purpose of this act. Examinations shall be held by the board at least once each year at such time and place as may be determined by it. The time and place of holding examinations shall be duly advertised for not less than three consecutive days, not less than thirty days prior to the date of each examination, in at least two representative daily papers published in the state. The examinations shall be in theory of accounts, practical accounting, auditing and commercial law. Examinations

Section 4. The state board of accountancy shall charge each applicant for the examination and certificates provided for in this act a fee of twenty-five dollars to meet the expenses of such examination. The fee shall be payable by the applicant at the time of filing his application. In case of failure on the part of any applicant to attend the examination or to pass a satisfactory examination, said applicant may appear at the next examination of said board for re-examination without charge. The state board of accountancy shall report annually to the governor the names of all persons receiving certificates, or whose certificates are registered or revoked; and the receipts and expenses under this act. Out of the funds collected under this act shall be paid the actual expenses of the state board of accountancy. No member of the board shall receive remuneration for his services. Provided, that no expense incurred under this act shall be a charge upon the funds of the state. Examination fee

Section 5. Said state board of accountancy may, in its discretion, waive the examination of, and may issue a certificate for the certified public accountant to any person possessing the qualifications mentioned in section 1 of this act, who Waiver

(1) is the holder of a certified public accountant certificate issued under the laws of another state which extends similar privileges to certified public accountants of this state, provided the requirements for said degree in the state which granted it to the applicant are, in the opinion of the state board of accountancy, equivalent to those herein provided; or who Certificates from other states

(2) either shall have for at least two years next prior to the passage of this act been practising in this state as a public accountant on his own account or who shall have for at least one year

next prior to the passage of this act been practising in this state as a public accountant on his own account and shall have had at least two years' prior experience in the practice of accountancy on his own account or with a reputable public accountant or accountants in this or other states, and who shall apply in writing to said board for such certificate within sixty days after the passage of this act. All applicants mentioned in this section shall pay a fee of ten dollars (\$10.00) for such certificate.

**Revocation
of
certificates**

Section 6. The state board of accountancy may revoke any certificate issued under this act for unprofessional conduct or other sufficient cause, provided that written notice shall have been served on the holder of such certificate at least twenty days before any hearing thereon, stating the cause for such contemplated action and appointing a day for a full hearing thereon by the state board of accountancy. Provided further, that such revocation must receive the affirmative vote of at least four members of the board.

Annual fee

Section 7. All certificates granted by the state board of accountancy shall be subject to an annual fee of one dollar (\$1.00).

**Violations
and penalties**

Section 8. If any person shall represent himself to the public as having received a certificate provided for in this act, or shall assume to practise as a certified public accountant or use the abbreviation "C. P. A." or any similar words or letters to indicate that the person using the same is a certified public accountant, without holding a valid certificate issued under the provisions of this act, or if any person having received such certificate provided for in this act shall thereafter lose the same by revocation and shall refuse or delay to return such certificate to the board and shall continue to practise as a certified public accountant or use such title or any other title or abbreviation mentioned in section 1 of this act, he shall be deemed guilty of a misdemeanor, and on conviction thereof shall be fined a sum not exceeding two hundred dollars for each conviction, or shall be imprisoned in the county jail for a term not exceeding six months.

PENNSYLVANIA

ACT OF 1899

AN ACT to establish a board for the examination of accountants; to provide for the granting of certificates to accountants, and to provide a punishment for the violation of this act. (Approved March 29, 1899; amended April 27, 1909, June 4, 1915, May 24, 1921.)

Section 1. *Be it enacted, &c.*, that any citizen of the United States, residing or having an office for the regular transaction of business in the state of Pennsylvania, being over the age of twenty-one years and of good moral character, and who shall have received from the governor of the state of Pennsylvania a certificate of his qualification to practise as a public expert accountant, as hereinafter provided, shall be designated and known as a certified public accountant, and no other person shall assume such title, or use the abbreviation C. P. A., or any other words, letters or figures to indicate that the person using the same is such certified public accountant. Every person holding such certificate, and every co-partnership of accountants, every member of which shall hold such certificates, may assume and use the title of certified public accountants, or the abbreviation thereof, C. P. A.; provided, that no other person or co-partnership shall use such title or abbreviation, or other words, letters or figures, to indicate that the person or co-partnership using the same is such certified public accountant.

Who may be certified; use of title "C. P. A."

Section 2. The governor of the state of Pennsylvania shall appoint a board of five examiners for the examination of persons applying for certification under this act. Two shall be appointed from the eastern part of the state, two from the western part, and one from the central part of the state. Three of said examiners shall be certified public accountants, each holding a degree of same from the commonwealth of Pennsylvania; one of whom shall be appointed for the term of one year, one for two years and one for three years; and upon the expiration of each of said terms, an examiner shall be appointed for the term of three years. The other two examiners shall be practising attorneys in good standing in any of the courts of the state of Pennsylvania. One of them shall be appointed for the term of one year, and the other for two years; and, upon the expiration of each of said terms, a successor shall be appointed for the term of three years. The examination for

certificates shall be based upon an examination in commercial law and general accounting; said examination shall take place in Philadelphia and Pittsburgh, once a year, in the month of November of each year, under such rules and regulations as may be adopted by the board. In no event, however, shall a special examination be given or a degree granted to any person, except by passing a regular examination as herein provided for, but certified public accountants of other states of the United States who have been certified for at least one year may be recommended for certification, at the discretion of the said board, for certificates without any examination. The fees provided by this act shall be twenty-five dollars for each applicant, from which shall be paid the actual traveling expenses of the members of the board and expenses incident to such examination for office rent, stationery, printing, and clerk hire, a sum not exceeding three hundred dollars per annum; and if any surplus above said expenses shall remain at the end of the year, it shall be paid into the treasury of the commonwealth. The results of such examination shall be certified to the governor within sixty days after said examination, and filed in the office of the secretary of internal affairs, and kept for reference and inspection for a period not less than five years, the governor to issue the certificates.

[The requirement in section 2 which stipulates that the board shall not spend more than \$300 per annum was changed by the administrative code of 1923 by which all boards are placed under the supervision of the department of public instruction. The superintendent of public instruction becomes ex-officio a member of the board and it is provided that the secretary need not be a member of the board.]

**Revocation
of
certificates**

Section 3. The governor of the state of Pennsylvania may revoke any such certificate for sufficient cause, upon the recommendation of the board of examiners, who shall have given written notice to the holder thereof, and after he has had a hearing thereon.

Waiver

Section 4. The board of examiners may, in its discretion, waive the examination of any person who shall have been for three years before the passage of this act practising in the state of Pennsylvania as a public accountant, and who shall apply in writing for such certificate within one year after the passage of this act.

**Violation
and penalty**

Section 5. If any person shall hold himself out as having received the certificate provided for in this act, or shall assume to

practise thereunder as a certified public accountant, or use the initials C. P. A., without having received such certificate, or after the same shall have been revoked, he shall be deemed guilty of misdemeanor, and on conviction thereof shall be sentenced to pay a fine not exceeding five hundred dollars.

PHILIPPINE ISLANDS

AN ACT regulating the practice of public accounting; creating a board of accountancy; providing for examination, for the granting of certificates, and the registration of certified public accountants; for the suspension or revocation of certificates and for other purposes. (Approved March 17, 1923; amended, Dec. 7, 1925, Dec. 2, 1926, Dec. 5, 1927.)

Be it enacted by the senate and house of representatives of the Philippines in legislature assembled and by the authority of the same:

Who may be certified

Section 1. Any citizen of the Philippine Islands or of the United States, having a place for the regular transaction of business as a professional accountant in the Philippine Islands, and who, as in this act required, shall have received from the board of accountancy hereinafter created a certificate of his qualifications to practise as a public accountant, shall have the authority to style himself and to be known as a certified public accountant, and to use the abbreviated title C. P. A. for and during the term mentioned in his certificate.

Board of accountancy

Section 2. The secretary of commerce and communication shall, within thirty days after the taking effect of this act, appoint three persons who are citizens of the Philippine Islands or of the United States, who shall constitute the board of accountancy. At least two members of the board shall have been engaged in the reputable practice as public accountants for a continuous period of three years immediately preceding the passage of this act, in the Philippine Islands. The persons first appointed shall hold office for one, two, and three years, respectively; thereafter appointees shall be certified public accountants who hold certificates issued under the provisions of this act and shall serve for three years. Interim vacancies shall be filled by appointment for the unexpired term only.

Removal of members of board

Section 3. The secretary of commerce and communications may remove any member of the board of accountancy for continued neglect of duty or incompetency or for unprofessional or dishonorable conduct.

Powers and duties of board

Section 4. The board of accountancy, the majority of which shall in all cases have the powers of the board, is vested with authority, conformably with the provisions of this act, to issue and to suspend temporarily or revoke the validity of certificates of registration for certified public accountants or for public account-

ants. The board shall study the conditions affecting the practice of public accounting in all parts of the Philippine Islands and shall exercise the powers herein conferred upon it with a view to the maintenance of efficient ethical and technical standards in the public accounting profession. Subject to the approval of the secretary of commerce and communications, it shall determine the qualifications of persons applying for certificates under this act, and shall make rules for the examination of same, which shall embody the following:

(a) Examinations shall be held by the board at least once in each year, at such times and places as may be determined by them. The time and place of holding such examinations shall be advertised for not less than three consecutive days, not less than thirty days prior to the date of such examinations, in at least two daily newspapers printed and published in the Philippines. The examinations shall be theory of accounts, practical accounting, auditing, and commercial law as affecting accountancy. Examinations

(b) Applicants for certificates, before taking the examination, must produce evidence satisfactory to the board that they are over twenty-one years of age, of good moral character, a graduate of a high school with a four-year course, or have an equivalent education, and that they have had at least three years' practical experience as professional public accountants, or five years' practical experience in accounting, or three years of study in accounting and commercial subjects as certified by a college or university recognized by the government. Requirements

Section 5. All candidates for examination provided for in this act obtaining a rating of seventy-five per cent or over on each subject shall be entitled to registration as certified public accountants and as such receive a certificate of registration from the board. Registration

Section 6. In the event the board shall renounce the examination of any person as in this act provided, the name of such person shall likewise be registered and the certificate issued upon payment of the prescribed fees. Renouncement of examination

Section 7. All applications must be filed with the board of accountancy and accompanied by the following fees: for examination or for renunciation of same as provided in section six, 50 pesos; for registration and issuance of certificate, 10 pesos. Provided, however, that in the event any candidate fails to pass the required examination, he shall be entitled to take a second examination, within one year after the date of the examination at which he fails Fees

to pass, without paying a second fee. All fees collected by the board under this act shall accrue to the insular treasury.

Compensation

Section 8. Each member of the board shall receive from the insular funds as compensation the sum of ten pesos for each application for examination or renunciation accepted by the board. The secretary-treasurer shall receive from insular funds in addition to his allowance as member of the board a compensation at the rate of two hundred forty pesos per year, one-half of which amount shall be paid on the thirtieth of June and one-half on the thirty-first of December of each year. If any government employee shall be appointed a member of the board, or elected secretary-treasurer, he may receive the compensation herein provided for in addition to his salary.

Officers of board; funds; bonding of treasurer

Section 9. The board shall annually elect from its members a president and a secretary-treasurer, and all certificates required to be executed for and on behalf of the board shall be certified by the signature of the president and attested by the secretary-treasurer. The secretary-treasurer shall receipt for all funds accruing under the provisions of this act and account for them in the manner prescribed by the insular auditor. He shall be bonded in the sum which shall be fixed by the insular auditor.

Register of certified public accountants

Section 10. The secretary-treasurer shall keep a record of the proceedings of the board and a register of all persons to whom certificates of registration as certified public accountants have been granted, setting forth the name, age, sex, and place of business of each, his post-office address, the name of the school, college, or university from which he graduated or in which he has studied accounting, if any, and the date of such graduation or length and date of such term of study together with the time spent in the study of accounting elsewhere, if any, and locations of all institutions which have granted to him degrees or certificates of lectures in accounting or business, and all other degrees granted to him from institutions of learning.

Waiver

Section 11. The board may, in its discretion, waive the examination of any person of competent age, of good moral character, and who is the lawful holder of a certified public accountant's certificate issued under the law of any state or territory of the United States or the District of Columbia, which extends similar privileges to certified public accountants of the Philippine Islands: provided, that the applicant has resided in the Philippine Islands one year immediately prior to his application.

Section 12. All foreigners who have been in continuous practice in the Philippine Islands for their account as individuals or as senior accountants for any firm of public accountants for a period of five years prior to the passage of act numbered thirty-one hundred and five shall be entitled to registration as certified public accountants and as such receive a certificate of registration from the board as certified public accountants: provided, that application for their registration shall be filed with the board within sixty days after the passage of this act.

Section 13. After due hearing, the board may, at its discretion, either suspend temporarily or revoke the validity of any certificate issued under this act for unprofessional conduct of the holder or other sufficient cause: provided, that written notice shall have been mailed to the holder of such certificate at least twenty days before the hearing thereon, stating the cause of such contemplated action, and appointing a day for such hearing; and the defendant shall be given full opportunity to defend himself personally or by counsel from the charge.

Revocation
of
certificates

Section 14. The sum of two thousand pesos is hereby appropriated out of any funds in the insular treasury not otherwise appropriated for the expenses necessary for carrying out the purpose of this act: provided, that any balance from this fund remaining unexpended on December thirty-first, one thousand nine hundred and twenty-three, shall revert to the insular treasury: and provided, further, that the funds necessary for the expenses of carrying out the purposes of this act after said date shall be provided in the annual appropriation act.

Funds

Section 15. Any person who shall by himself or in cooperation with another defeat, deceive, or obstruct any person in the matter of his right of examination by the board of accountancy, or who shall falsely rate, grade, estimate, or report upon the examination or standing of any person examined by the board, or shall aid in so doing, or shall make any false representation relative thereto or concerning the person or persons examined or who shall use or furnish any special or secret information for the purpose of improving or injuring the prospects or chances of any person so examined or to be examined, or receiving a certificate, shall for each such offense be punished by a fine not exceeding one thousand pesos, or by imprisonment for a period not exceeding six months, or both.

Falsification
in examina-
tions

Any person who shall knowingly make any material false statement in his application for examination, or who shall connive at any false statement made in any certificate which may accompany his application, or who shall make any material false statement in any certificate to accompany the application for examination of any other person, or who shall personate any other person or permit or aid in any manner any other person to personate him in connection with any examination or application for examination, or who shall falsely make or forge any certificate or present any falsely made or forged certificate in connection with his application for examination, or who shall commit or attempt to commit any fraud, or violate in any manner the provisions of this act or any regulations promulgated under the provisions hereof, or aid in so doing, shall be subject to the same penalty as in the preceding paragraph provided.

Violations
and penalties

Section 16. Any person who represents himself to the public as having received a certificate as provided in this act, or shall assume to practise as certified public accountant, or use the abbreviated title "C. P. A.," or any similar words or letters, to indicate that the person using the same is a certified public accountant, without having received such certified public accountant's certificate, or shall assume to practise as a public accountant, without having received such public accountant's certificate, or having received such certificate was thereafter deprived of the use of the same by temporary suspension or revocation, shall be punished by a fine in a sum not exceeding five thousand pesos, or by imprisonment for a period not exceeding two years, or both, at the discretion of the court, for each such offense, and each day that such person shall so practise or hold himself out as a certified public accountant, or public accountant, shall be deemed a separate offense.

Confidential
communications

A certified public accountant, or person employed by a certified public accountant, shall not be required to, and shall not voluntarily, disclose or divulge the contents of any communication made to him or her by any person employing him or her to examine, audit, or report on any books, records, or accounts, nor divulge any information deriving from such books, records, or accounts in rendering a professional service, except by express permission of the person employing him or her or of the heirs, personal representatives, or successors of such person. Any person violating

this provision shall be subject to the same penalty as in the first preceding paragraph provided.

Any person practising in the Philippine Islands as a certified public accountant, or public accountant under this act, who shall willfully falsify any report or statement bearing on any examination, investigation, or audit made by him or her, or under his or her direction, shall be subject to the same penalty as in the first preceding paragraph provided.

Falsification
of reports or
statements

This section shall also apply to all partnerships, or corporations all the members of which have not received such certificates to practise as certified public accountants, and the penalties provided shall apply to all members of such partnership or corporations.

PORTO -RICO

AN ACT to regulate the practice of public accounting; creating a board of examiners; providing for the granting of certificates of certified public accountant, and for other purposes. (Approved May 13, 1927.)

Be it enacted by the legislature of Porto Rico:

Who may be certified

Section 1. Any citizen of Porto Rico who works regularly as a professional accountant in the island of Porto Rico, and who, as provided by this act, shall have received from the executive secretary of Porto Rico a certificate authorizing him to practise as a public accountant as hereinafter provided, shall be authorized to call himself and be known as a certified public accountant, and to use the abbreviated title of "C. P. A."

Bonding of certified public accountants

No certified public accountant shall practise his profession as such in the island of Porto Rico without first having filed in the office of the executive secretary of Porto Rico his signature and seal, and having also filed a fidelity bond in the sum of two thousand five hundred (\$2,500) dollars which shall be approved as to form and execution by the attorney general and filed in the department of finance.

Register of certificates issued

Every certified public accountant who practises his profession in the island of Porto Rico shall keep a register numbered correlatively of the certificates issued by him and a report of such certificates shall be forwarded on the last day of each month to the executive secretary. In case of the death of a certified public accountant his register shall be delivered to the executive secretary.

Board of examiners of accountants

Section 2. Within the thirty days following the date on which this act takes effect, the governor, with the advice and consent of the senate, shall appoint three persons who shall constitute a board of examiners of accountants, and it shall be an indispensable requisite, in order to be appointed a member of the board of examiners of accountants, to hold a certificate as certified public accountant, granted in accordance with the laws of any state of the union and to have practised as such for a term of not less than five years; provided, that in case there are not three persons in Porto Rico having such qualifications, three persons having at least seven years of practice as accountants may be appointed. The persons first appointed shall occupy their positions in the board of examiners of accountants for the terms of one, two and three years respectively. On the expiration of each of said terms,

one new member shall be appointed for a term of three years; provided that, after there shall be certified public accountants by virtue of this act, new appointments shall be made from persons who hold the certificate of certified public accountant; and provided, further, that in cases of vacancy the appointments shall be made for the unexpired term of the member who causes the vacancy.

The board shall draft its regulations, which shall be approved by the governor and duly promulgated.

Section 3. The board of examiners of accountants shall prescribe the requirements of the applicants for certificates in accordance with this act, and shall draft, with the approval of the governor of Porto Rico, rules for their examination which shall include the following:

Duties
and rules
of board

(a) The board shall hold examinations at least once yearly, and on the dates and at the places which it may determine. The date and the place for the holding of the examinations shall be published at least three times in a period of one month, prior to the date of said examinations, in at least two daily newspapers of general circulation in the island of Porto Rico.

Examination

(b) The examinations shall be on practical accounting, theory of accounts, auditing, taxes and commercial law.

(c) Before taking the examinations, applicants shall have practised as accountants for not less than two years and, moreover, shall submit evidence satisfactory to the board that they are over twenty-one years of age, graduates from a high school or have equivalent instruction.

Section 4. Every person who passes the examination provided for by this act shall be issued the corresponding title by the board of examiners of accountants. The board shall certify to the executive secretary of Porto Rico the name and address of each one of said persons and it shall then be the duty of the executive secretary of Porto Rico to enter in a register, which he shall keep for the purpose, the name of each of said persons as a certified public accountant and to issue them the corresponding certificate. The executive secretary of Porto Rico shall attach and cancel on each certificate of registration as certified public accountant, internal-revenue stamps to the value of one (\$1.00) dollar which shall be furnished by the candidate.

Registration
of
certified
public
accountants

Section 5. All applicants shall pay the following fees to the treasurer of the board: for examination or exemption therefrom as

Fees

provided by section 8, \$15.00; for registration of title in the office of the executive secretary, as provided in section 4, \$15.00; for issuance of certificate by the executive secretary, \$5.00. Provided, however, that in case any person shall not pass all the subjects required to obtain the title of accountant, he shall have the right to be admitted to the next examinations to take a second examination on those subjects which he did not pass, without paying any fee.

Expenses;
reports
and officers
of board

Section 6. From the fees collected, the board shall pay all the expenses connected with this act. The members of the board shall receive a per diem of five (\$5.00) dollars for each session of the board. The board shall render to the governor of Porto Rico at the close of the fiscal year, a comprehensive report of all its activities during the year. The board shall elect annually from among its members a chairman, a secretary and a treasurer and shall appoint the necessary office personnel.

Funds
of board

Section 7. All the funds collected by the treasurer of the board of examiners of accountants shall be turned over to the treasurer of Porto Rico by the treasurer of said board, for deposit to the credit of a trust fund which shall be known as "Trust fund of the board of examiners of accountants." Expenditures may be made from said funds only by voucher issued by the treasurer of the said board, countersigned by the president.

Waiver

Section 8. The board shall exempt from examination any person of good moral conduct, a citizen of Porto Rico in possession of his civil rights, who is over twenty-one years of age and who, prior to the approval of this act, has practised for at least five years as accountant, chief accountant or auditor with one or more firms or corporations of recognized importance, in the opinion of the board, or with the insular government or with a municipality of the first class, or who has practised for not less than five years as public accountant or as teacher of advanced accounting, and who presents his application to the board of examiners of accountants within the six months following the date on which this act becomes effective, together with the fees prescribed by section 5, as well as the documents necessary to show that he is entitled to exemption from examination in accordance with the provisions of this section.

Certificates
from other
jurisdictions

Section 9. Every person holding a certificate issued by a state or territory of the union where qualifications similar to those prescribed by this act are required, in the opinion of the board of examiners of accountants, shall be entitled to receive from the

executive secretary of Porto Rico a certificate of certified public accountant. Such person shall present to the board a written application accompanied by the certificate accrediting him as such, and the fees which this act prescribes; provided, that this certificate shall be granted only in case of reciprocity with the state or territory from which the applicant comes.

Section 10. The board may cancel, revoke or suspend the registration of any certificate issued by virtue of this act, for delinquency, dishonorable conduct, negligence or inexcusable ignorance; provided, that notice in writing shall be sent the holder of said certificate, at least twenty days prior to the holding of any hearing, specifying the cause of such action, and fixing the date of the hearing before the board; provided, further, that no certificate issued by virtue of this act shall be canceled, revoked or suspended, until such hearing shall have been held and the interested person been granted an opportunity to defend himself and to be heard at said hearing. In case that any certificate be canceled, revoked or suspended, the board shall inform the executive secretary of Porto Rico of such action and the executive secretary shall register such order of the board in the record of his office.

Revocation
of
certificates

The interested person may petition the reconsideration of the decision within the period of thirty days after it is rendered, and if he is not satisfied with the decision, he may within the period of thirty days after notification of such decision, appeal to a district court through a writ of certiorari, for said court to revise the acts of the board.

Section 11. Any person who shall practise as a certified public accountant and who shall maliciously or by gross negligence issue or permit to be issued a statement, or shall sign or certify a false statement of the transactions and financial standing of any corporation, partnership or individual, shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not less than two hundred (\$200) dollars nor more than one thousand (\$1,000) dollars or by imprisonment in jail for not less than ninety days nor more than one year, or by both penalties in the discretion of the court.

Fraud and
negligence

Section 12. Any person who shall represent to the public that he has received a certificate of certified public accountant, or who uses the abbreviation "C. P. A.," or any similar letters or words in order to indicate that he is a certified public accountant, unless he shall have received the corresponding certificate required by law, or

Violations
and penalties

who, having received a certificate which has been revoked, canceled or suspended by the board of examiners of accountants, as provided by this act, shall continue to represent himself as such, shall be guilty of a misdemeanor and shall be punished by a fine of not less than two hundred (\$200) dollars or by imprisonment in jail for not to exceed ninety days, or by both penalties in the discretion of the court; provided, that in case of a second offense, the crime shall necessarily entail punishment of imprisonment; and provided, further, that nothing contained in this act shall deprive the accountants who privately or publicly practise their profession of the right to continue the practice thereof, now and in the future, as they have been doing up to the present time.

Quarters
for board

Section 13. The commissioner of the interior is hereby directed to provide suitable quarters for the use of the board of examiners of accountants.

Funds for
enforcement

Section 14. For the purpose of enforcing the provisions of this act, there is hereby appropriated from any funds in the treasury not otherwise appropriated, the sum of two hundred (\$200) dollars.

Section 15. All laws or parts of laws in conflict herewith are hereby repealed.

Section 16. This act shall take effect ninety days after its approval.

RHODE ISLAND

CHAPTER 34

OF the state board of accountancy and of certified public accountants. (General laws 1909; amended April 3, 1930.)

Section 1. It shall be unlawful for any person to practise as a certified public accountant in this state unless he shall have first-obtained a certificate of registration as provided in this chapter. Any citizen of the United States, or person who has duly declared his intention of becoming such citizen, having a place for the regular transaction of business as a professional accountant in this state, being over the age of twenty-one years, of good moral character, who shall have received as hereinafter provided in this chapter a certificate of his qualifications to practise as a certified public accountant, shall be deemed and known as a certified public accountant under the provisions of this chapter; and no person, unless he has received a certificate under the provisions of this chapter, shall advertise or in any manner use such name of certified public accountant or the abbreviation "C. P. A.," or any other words or letters, or any imitation thereof, tending to indicate that the person so advertising or using the same is such certified public accountant.

Who may
practise as
certified
public
accountants

Section 2. There shall be a board of examiners, to be known as the state board of accountancy, to carry out the purposes and enforce the provisions of this chapter. The members of said board, consisting of three persons, shall be citizens of this state and skilled in the practice of accounting, and when appointed shall have been actively engaged therein on their own account in this state for not less than the three years next preceding the date of their appointment. At the January session of the general assembly, A. D., nineteen hundred nine, and annually thereafter, the governor, with the advice and consent of the senate, shall appoint one member of said board, who when appointed shall be a certified public accountant, to hold office until the first day of February in the third year after his appointment, to succeed the member of such board whose term will next expire: provided, that any vacancy which may occur in said board when the senate is not in session shall be filled by the governor until the next session thereof, when he shall, with the advice and consent of the senate, appoint some person, who when appointed shall be a certified public accountant,

Board of
examiners
to be
appointed

Vacancies;
how filled

to fill such vacancy for the remainder of the term. The members of said board may be removed by the governor, for such cause as he shall deem sufficient and shall express in the order of removal. Each member of said board, unless he resigns or is removed, shall hold office until the appointment and qualification of his successor. Each member of said board shall give a bond in the sum of one thousand dollars, with surety or sureties to be approved by the general treasurer, conditioned for the faithful performance of his duties, and shall take the oath provided by law for public officers.

**Organization
of board**

Section 3. Said state board of accountancy shall organize, as soon as may be after their appointment and qualification, by electing one of their members chairman and one of their members secretary and one of their members treasurer (except that said board may elect the same member secretary and treasurer); such organization shall continue until the appointment and qualification of any new member of said board of examiners, except in case of a vacancy in any office, when such vacancy may be filled forthwith. The secretary of said board shall keep a record of all its proceedings, issue all notices and certificates, and attest all such papers and orders as said board shall direct; and the secretary shall perform such other duties as shall be designated by said board.

**Powers
and duties**

Section 4. Said board shall have power to adopt rules and regulations for conducting examinations to be held under this chapter. Said examinations shall be held at least once a year in the city of Providence, and elsewhere in the discretion of said board. Such examinations shall be held upon the theory of accounts, practical accounting, auditing, commercial law as affecting accountancy, and such other subjects as said board may determine. Such board shall issue to each applicant passing a satisfactory examination a certificate entitling such person to practise in this state, as a certified public accountant, until such certificate shall be revoked as hereinafter provided in this chapter. Said board shall keep a register in which shall be entered the names of all the persons to whom certificates are issued under this chapter, and said register shall be open at all times to public inspection at the office of the secretary of said board.

**Fee for
examination**

Section 5. Said board shall charge for the examination and certificate provided for in this chapter a fee of twenty-five dollars, payable by said applicant at the time of filing his application.

In case of the failure on part of any applicant to attend the examination at the date specified by said board or to pass a satisfactory examination, said applicant may, at the discretion of said board, appear at the next annual examination of said board for re-examination upon the payment of the further sum of fifteen dollars.

Section 6. The fees received by said board under the provisions of this chapter shall be paid monthly to the general treasurer. The members of said board shall serve without compensation, but shall be allowed their actual expenses within the amount appropriated therefor in discharging the duties imposed by this chapter. The general assembly shall annually appropriate such sum as it may deem necessary for the purposes of this act.

Section 7. Said board shall present annually to the general assembly, in the month of January, a detailed statement of the receipts and disbursements of said board during the preceding year with a statement of its acts and proceedings and such recommendations as said board shall deem proper.

Section 8. Said board may, in its discretion, register the certificate of any certified public accountant who is the lawful holder of such certificate issued under the laws of any other state, territory, District of Columbia, or government, and may issue to such certified public accountant a certificate of registration, which certificate shall entitle the holder thereof to practise as such certified public accountant under the provisions of this chapter in this state: provided, that such other state, territory, government, or the District of Columbia, extends similar privileges to certified public accountants of this state. Said board shall charge for such certificate of registration a fee of fifteen dollars.

Certificates
of another
state may be
registered;
when

Section 9. Said board shall have power to revoke any certificate of registration, granted by it under this chapter, for gross incompetency, for unprofessional conduct, or for other cause sufficient in the judgment of said board: provided, that before any certificate shall be so revoked the holder thereof shall have notice in writing of the charge or charges against him and shall have reasonable opportunity to be heard in his defence. Any person whose certificate has been so revoked may apply to have the same reissued, and the same shall be issued to him upon a satisfactory showing that such disqualification has ceased. Said board shall have power by its chairman to summon any person to appear as a witness and testify at any hearing by said board under the pro-

May revoke
certificate;
when

May summon
witnesses

Decisions
of board
may be
appealed

visions of this chapter, and to examine and to administer oaths to such witnesses. Any person aggrieved by any decision or ruling of said board may, within thirty days, exclusive of Sundays and holidays, after receiving notice of said decision, appeal therefrom to the superior court sitting at Providence, and said superior court shall, as soon as may be, hear and determine said appeal, following the course of equity, and subject to all the rights of parties in such causes.

Exceptions

Section 10. Nothing in this chapter shall prohibit any person from serving as a student, or clerk, or employee in the office of any certified public accountant: provided, such student, clerk, or employee shall first file with the secretary of said board a statement in writing, showing the name and place of business of his employer, and the date of the beginning of such employment, and the full name, age, and residence of such student, clerk, or employee. No such student, clerk, or employee shall be authorized to certify accounts or to advertise or hold himself out to the public as a certified public accountant.

Penalties

Section 11. Any person practising the occupation of certified public accountant, or using the abbreviation "C. P. A.," or similar words or letters indicating that the person using the same is a certified public accountant, or representing himself to the public as having received the certificate provided in this chapter, without having received such certificate as provided in this chapter, or any person so representing himself as having received such certificate or practising as aforesaid after his certificate has been revoked as provided in this chapter, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding two hundred dollars for each offence, and upon a subsequent conviction shall be punished by a fine of not less than two hundred dollars nor more than five hundred dollars, or by imprisonment not exceeding six months, or both, in the discretion of the court.

SOUTH CAROLINA

AN ACT to provide for the establishment and appointment of a board of examiners of accountants and to fix their duties and compensation; to fix the qualifications of certified public accountants; to provide for the examination and registration, and licensing of applicants for registration and to authorize the use of the title "certified public accountant" and to provide punishment for violation hereof. (Approved February 20, 1915; amended February 26, 1920; amended April 1, 1930.)

Be it enacted by the general assembly of the state of South Carolina:

Section 1. Any person shall be deemed to be practising public accounting as a certified public accountant, within the meaning of this act, who shall display a sign or in any way advertise himself as a certified public accountant.

Practice of
public
accounting

Section 2. It shall be unlawful for any person to hold himself out as a certified public accountant, or to use the title certified public accountant, or the initials, "C. P. A." in the state of South Carolina unless such person shall have obtained a certificate of registration from the South Carolina state board of examiners of public accountants, as hereinafter provided.

Use of title
"C. P. A."

Section 3. There is hereby created a board, whose duty it shall be to carry out the purposes and enforce the provisions of this act and shall be styled the South Carolina board of examiners of public accountants.

State board
created

Section 4. Said board shall consist of three members, two of whom shall have been resident public accountants engaged in the actual practice of public accounting in the state of South Carolina for a period of three years prior to their appointment, or shall have been employed within five years next preceding the passage of this act in the state of South Carolina for at least three years, both in public accounting and as a chief or head bookkeeper managing an accounting department consisting of at least two accountants other than himself; one an attorney at law who, in a like manner has been engaged in the practice of his profession for three years prior to his appointment, in courts of this state. The term of each member shall be three years and until his successor is appointed and qualified, and vacancies shall be filled for the unexpired term only; but in the original appointment of members of the board, one shall be appointed for the term of one year, one for two years and one for three years. Said board shall be appointed by the governor of this

Members
of board
qualifications;
and tenure
of office

state within thirty days after this act shall become effective, and thereafter as vacancies occur. After the first board has been appointed only licensed certified public accountants shall be eligible to appointment.

Election of
officers; rules
and
regulations

Section 5. The members of said board shall qualify by taking the oath of office before a notary public, or other officer empowered to administer oaths, and a record of same filed in the office of secretary of state. At the first meeting of said board after each annual appointment, the board shall elect a president, vice-president and secretary-treasurer. Two members of the board shall constitute a quorum. Regular meetings shall be held at least once a year, at such time and place as shall be deemed most convenient for applicants. Due notice of such meetings shall be given by publication in such papers as may be selected by the president of the board. The board may prescribe rules, regulations and by-laws, in harmony with the provisions of this act, for its own proceedings and government, for the examination of applicants for the practice of accounting. Said board, or any member thereof, shall have the power to administer oaths for all purposes required in the discharge of its duties and shall adopt a seal to be affixed to all of its official documents.

Examina-
tions;
registration;
issue of
certificates;
certificates
from other
states

Section 6. That every person before beginning to practise as a certified public accountant in this state, after the passage of this article, shall pass an examination before said board of examiners in (1) accounting theory and practice, (2) auditing, (3) commercial law. Each applicant desiring to be examined by said board must fill out and swear to an application at least three weeks prior to the holding of the examination he or she desires to take. Each applicant making application for examination must submit evidence satisfactory to the board that he or she (1) is a bona-fide citizen of South Carolina of legal age, (2) is possessed of a high school education or its equivalent, (3) and must pay to the board a fee of \$20.00. The board shall keep a register in which shall be recorded the name of the person examined and also shall record whether the applicant successfully passed the examination or not. The board shall issue certificates licensing as certified public accountants such persons who successfully pass the examination, provided that those persons submit evidence satisfactory to the board that they have had at least two years' actual experience as public accountants, either on their own account or in the employ of South Carolina certified public accountants, or three years' actual experience in another

state or foreign nation either on their own account or in the employ of a public accountant licensed by the state or foreign nation in which they have practised. Any person who successfully passes the examination and cannot at that time meet the requirements of the board as to actual experience may in the future, after he or she has acquired the necessary experience in actual work as public accountant, apply for a certificate, submitting evidence to that effect. If the evidence is satisfactory to the board, then the board shall license such person as a certified public accountant. Certificates issued by the board shall be signed by the president and secretary of the board, and the board shall collect from the recipient a fee of \$5.00 for the issuance of the certificate, which sum shall be for the use of the board; provided, that the board may, in its discretion, upon application in writing, waive the examination and issue a certificate to any person who has the qualifications required by this article and the rules of the board, except residents in South Carolina, when such persons shall submit to said board such evidence as to said qualifications as may be required by and be satisfactory to the board, and when such person for not less than three years has had the degree of certified accountant or chartered accountant, issued by or under authority of another state or foreign nation, and such certificate was issued with the approval of the state board of accountancy or examiners of the state or nation issuing same; and provided, further, that the standards prescribed by law or the rules and examinations conducted are, in the opinion of the board, fully equivalent to the standards in this state; and provided, further, that if for any reason the certificate of original issue be revoked or cancelled, the board of accountancy of this state shall forthwith revoke and cancel the certificate issued to such person in accordance with this section: and provided, further, that any non-resident of South Carolina obtaining a certificate in this state under the provisions of this section shall pay such application, certificate, and annual license fees as are required of bona-fide residents of this state, and shall be subject to such regulations and restrictions as are required of bona-fide residents of South Carolina, recipients of certificates of registration under this article; and provided, further, that any non-resident registered under this article shall have his certificate recorded with the clerk of the circuit court for any county in South Carolina.

Section 7. To every person who shall within sixty days after the passage and approval of this act submit to said board of exam-

Accountants
already in
practice

iners satisfactory proof as to character, competency and qualifications and that he is a bona-fide resident of this state, and has been continually engaged in the practice of accounting in this state for more than three years prior to the passage of this act, or shall possess the qualifications stated in section 4 of this act, said board shall, in consideration of the sum of ten dollars, issue to him a certificate of registration and such person shall be entitled to use the title certified public accountant.

Certificates
issued under
provisions
of section 7

Section 8. All persons entitled to a certificate of registration under the provisions of section 7 shall be exempt from the provisions of section 6 of this act; also every person entitled to a certificate under section 7, as herein provided, must make application therefor and present the evidence to entitle him thereto. Before any certificate is issued it shall be numbered and recorded in a book kept by the secretary of the board of examiners and its number shall be noted upon the certificate. In all legal proceedings the records so kept in the office of the secretary of the board, or certified copies thereof, shall be evidence of the facts therein stated.

Recording of
certificates

Section 9. All recipients of certificates of registration under this act shall have the same recorded in the office of the clerk of the circuit court of county in which they reside, and shall pay a fee of fifty cents to the clerk for recording same. Said clerk shall record said certificates in a book provided for that purpose. Any failure, neglect or refusal on the part of any person holding such certificate of registration to display or record the same as herein provided, for three months after the issuance of said certificate, shall forfeit all rights thereunder.

Display of
certificates

Section 10. Every person to whom a certificate of registration is granted under this act, shall display the same in a conspicuous place in his or her principal office, place of business or employment.

Compensation
of
members;
expenses
of board

Section 11. Out of the funds coming into possession of said board, each member thereof may receive, as compensation, the sum of ten dollars and expenses for each day actually engaged in the duties of his office, and mileage at three cents per mile for all distances necessarily travelled in going to and from the meetings of the board. Said expenses shall be paid from fees and licenses received by the board under the provisions of this act, and no part of the salary or other expenses of the board shall ever be paid out of the state treasury. All money received in excess of said per diem allowance and mileage as above provided for, shall be held by the secretary and treasurer as a special fund for meeting all expenses of

said board and carrying out the provisions of this act and he shall give such bond as the board shall from time to time direct; and the said board shall make an annual report of its proceedings to the governor on the first Monday of January in each year, which report shall contain an account of all moneys received and disbursed by them pursuant to this act.

Section 12. Every registered certified public accountant who desires to continue the practice in this state shall, annually, on or before the first day of July of each year, pay to the secretary of said board a license fee, to be fixed by the board, and which shall in no case exceed the sum of ten dollars per annum, for which he shall receive a renewal of such license, and in case of the default of such payment by any person, his or her certificate shall be revoked by the board of examiners on twenty days' notice in writing by the secretary of the time and place of considering such revocation, and deposit of said notice in the United States post office, addressed to the person at his or her last known place of residence or business, and the registered postage prepaid thereon, shall be proof of due and legal service of such notice, but no certificate shall be revoked for nonpayment if the person so notified shall pay such penalty as may be imposed by said board: provided, that the said board may impose a penalty not exceeding twenty-five dollars upon the persons so notified as a condition for allowing certificate to stand valid. Any person whose certificate of registration has been revoked for failure to pay his or her renewal fee, as herein provided, may apply to have the same regranted to him or her upon payment to the board of all renewal fees that should have been paid had the certificate of registration not been revoked.

License fee;
renewal of
license;
revocation of
certificates

Section 13. Any person registered, as provided for in this act, may have his certificate of registration revoked or suspended by the South Carolina state board of examiners of public accountants for any of the following causes: (1) his or her conviction of a crime involving moral turpitude, in which case the record of conviction or a certified copy thereof by the clerk of court or by the judge in whose court the conviction is had shall be conclusive evidence; (2) when his or her certificate of registration has been secured by fraud or deceit; (3) for unprofessional conduct or for gross ignorance or inefficiency in his profession.

Revocation
of
certificates

Section 14. Any person who shall violate any of the provisions of this act shall be deemed guilty of a misdemeanor and, upon conviction in a court of competent jurisdiction, shall be punished

Violation
and penalties

by a fine of not less than twenty-five dollars and not exceeding one hundred dollars or by imprisonment not less than twenty days, and of all fines thus received, one-fourth shall be paid to the party or parties furnishing proof necessary to convict, three-fourths to go to the common school fund in the county in which conviction takes place.

Legal age

Section 15. It shall be unlawful for the board of examiners to grant a certificate to any one under legal age.

Section 16. This act shall go into effect immediately upon approval of the governor.

Section 17. All acts or parts of acts inconsistent with this act are hereby repealed.

SOUTH DAKOTA

CHAPTER 10—SOUTH DAKOTA REVISED CODE, 1919

Section 10095. It shall be unlawful for any corporation; for any partnership, all the members of which are not holders of certificates issued under the provisions of this chapter; or for any person who is not the holder of a certificate issued under the provisions of this chapter, to assume the title of certified accountant or to use the abbreviation C. P. A., C. A., or any other words, letters or characters to indicate that such corporation, partnership or person is a certified public accountant within this state.

Unlawful
to practise
without
certificate

Section 10096. The board of accountancy, consisting of the superintendent of banks, the executive accountant and the insurance examiner, shall be charged with the administration and enforcement of this chapter, and authorized to issue the certificates provided for herein, for each of which certificates it shall collect a fee of twenty-five dollars.

Board in
control

Section 10097. Every applicant for any such certificate must produce evidence satisfactory to the board that he is over the age of twenty-two years and a person of good moral character; that he is a graduate of a high school having a four years' course, or show, by examination or otherwise, that he possesses an education equivalent to such course, or that he has had an experience of at least three years in practical accounting.

Qualifica-
tions of
applicants

Section 10098. Notice of the time and place of holding each examination shall be published for not less than three consecutive days in two daily newspapers of general circulation in this state, not less than twenty days before the date of such examination; and a copy of such notice shall be mailed to all the holders of certificates as well as applicants therefor. The examination shall cover the following subjects: theory of accounting, practical accounting, auditing and commercial law as affecting accounting. Such board shall maintain a register of the names and addresses of all persons receiving certificates and shall keep a record of all persons whose certificates are revoked.

Examination

Section 10099. After examination if, in the judgment of the board, the applicant is entitled thereto, it shall, upon the payment of the required fee, issue to such applicant, naming him, a certificate to the effect that such applicant has complied with the provisions

Issuance of
certificate

of the laws of this state, that he possesses the requisite qualifications, and is authorized to assume the title and to perform the service of a certified public accountant in this state.

Foreign
certificates

Section 10100. Such board may, in its discretion, register the certificate of any person, whether a resident of this state or not, who is the lawful holder of a certified public accountant certificate issued under the laws of another state, which extends similar privileges to certified public accountants of this state; provided, that the requirements of the state which granted it are, in the opinion of such board, equivalent to those provided in this chapter, or to holders of a degree of certified public accountant or chartered accountant or the equivalent thereof, issued by any foreign government, if the requirements of such degree are equivalent to those herein provided for the degree of certified public accountant.

Certificate
may be
revoked

Section 10101. Such board may revoke or cancel the registration of any certificate issued under this chapter for unprofessional conduct or other sufficient cause; provided, that written notice shall have been mailed to the holder of such certificate at least twenty days before any hearing thereon, stating the cause of such contemplated action and appointing a day for such hearing.

False repre-
sentation;
penalty

Section 10102. If any person shall hold himself out to the public as having received a certificate as provided in this chapter, or shall assume to practise as a certified public accountant or chartered accountant, or to use the abbreviation C. P. A. or C. A., or any other letters, words or characters to indicate that the person using the same is such certified public accountant, without having received such certificate or after the same shall have been revoked, he shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than one hundred nor more than five hundred dollars for each offense, or by imprisonment in the county jail for a period not exceeding six months.

Negligence;
penalty

Section 10103. If any person practising in this state as a certified public accountant under this chapter, or if any person who is in the practice of public accountancy as a certified public accountant or otherwise shall be found guilty of gross negligence or carelessness or shall wilfully falsify any report or statement bearing on any examination, investigation or audit made by him or under his direction, he shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred nor more than one thousand dollars, or by im-

prisonment in the county jail for not less than three months nor more than one year, or by both such fine and imprisonment.

Section 10104. Before receiving any certificate issued under the provisions of this chapter, the applicant therefor must execute to the state a bond in the penal sum of five thousand dollars, conditioned for the faithful performance of his duties as a certified public accountant, which bond shall be filed with and presented by the board of accountancy; provided, that nothing in this chapter shall be so construed as to prohibit any person not a certified public accountant or chartered accountant, who does not advertise himself as such, from seeking employment and being employed as an accountant at whatever wage or salary may be agreed upon. **Bond**

Section 10105. Such board of accountancy shall have a seal of such device as the governor shall approve, to be surrounded by the words, "Board of accountancy of South Dakota." An impression of such seal shall be filed in the office of the secretary of state and shall appear upon all certificates of accountancy issued. All records, books and papers of the board of accountancy shall be deemed public records of the state. For every copy of any paper filed with the board of accountancy there shall be charged a fee of twenty cents per folio, and for affixing the official seal to each copy and certifying to the same a fee of one dollar. All copies of records and papers of the board of accountancy certified by the secretary thereof and authenticated by the seal of such board shall be received in evidence in all courts equally and with like effect as the originals. **Seal; records**

Section 10106. All fees and charges collected by the board of accountancy shall be covered into the state treasury and credited to the board of accountancy fund, which is hereby appropriated to the use of the board of accountancy toward paying the expenses of enforcing this chapter; and the expenses of such board shall be limited to the money received by it in fees and charges. All expense actually and necessarily incurred by the board in carrying out the provisions of this chapter shall be paid by the state treasurer, upon warrants drawn upon the board of accountancy fund by the state auditor upon duly itemized and approved vouchers; provided, that no member of such board shall receive any compensation for his services as such. **Expenses; disposition of fees**

TENNESSEE

CHAPTER NO. 33, PUBLIC ACTS, 1925.

AN ACT to establish a state board of accountancy and to prescribe its duties and powers; to provide for the granting and revoking of certificates to accountants who qualify under the provisions of this act; the registration and licensing of public accountants in practice; and to provide penalties for violation of this act. (Approved March 26, 1925.)

State board
of
accountancy

Section 1. *Be it enacted by the general assembly of the state of Tennessee*, that there is hereby established a state board of accountancy to consist of seven members to be appointed by the governor, within sixty days after the passage of this act, as follows: two public accountants from west Tennessee for terms of one and two years, respectively; two public accountants from middle Tennessee for terms of two and three years, respectively; two public accountants from east Tennessee for terms of one and three years, respectively; and a reputable practising attorney, who is not also a public accountant, to be appointed from the state at large for a term of three years.

Qualifica-
tions of
members

All members of the board shall be citizens and residents of this state and each accountant who is appointed shall have been actively engaged in practice, either on his own account or as a senior accountant upon the staff of a reputable practising accountant for at least five years next preceding his appointment. The attorney serving on the board shall be qualified to practise before the highest courts in this state.

Term of
office

Upon the expiration of each of the terms aforementioned a successor shall be appointed by the governor in the same manner except that all succeeding appointments after the first shall be for a term of three years in each and every instance. No member shall be eligible for reappointment on the board within three years next following the expiration of his term. Any vacancies that may occur from any cause shall be filled by appointment by the governor, for the unexpired term, in the same manner as the regular appointments.

Who may be
certified

Section 2. *Be it further enacted*, that any citizen of the United States (or person who has duly declared his intention of becoming such citizen), being over the age of twenty-one years and of good moral character, residing or having an office in the state of Tennes-

see, who shall, as hereinafter provided, receive from the Tennessee state board of accountancy, herein called the board, a certificate to practise as a certified public accountant shall be known and styled as a certified public accountant, but no other person, nor any corporation, nor any partnership, shall assume such title, or any other words, letters or abbreviations tending to indicate that the person, firm or corporation so using the same is a certified public accountant.

Section 3. *Be it further enacted*, that examinations of persons applying for certificates under this act shall be held in Nashville, or elsewhere within the state as the board may elect, at least twice each year or oftener, at the discretion of the board. The subjects in which applicants shall be examined are: (1) theory of accounts; (2) practical accounting; (3) auditing, and (4) commercial law, as affecting accountancy. **Examinations**

No person shall be permitted to take such examination unless he shall have been practising continuously on his own account as a public accountant for at least one year; or shall have been continuously employed in the office of a public accountant as an assistant for at least two years; or shall have been continuously employed as chief or head bookkeeper for at least three years; or shall present an academic diploma or other equally satisfactory evidence in such manner as required by the board, proving that he has successfully completed a course of studies and instructions in any state or country which is equivalent to the requirements for graduating from the highest grade of high schools in this state. **Requirements for examination**

All examinations herein provided for shall be conducted by the state board of accountancy, or by a majority thereof. The time and place for holding examinations shall be duly advertised for not less than three consecutive days in at least one daily newspaper published in each of the four most populous cities of the state not less than thirty days prior to the date of each examination. **Time and place of examinations**

The board may make all needful rules and regulations, regarding the scope of the examinations, the method and time of filing applications for examination, and all other rules and regulations necessary to carry into effect the purposes of this act. **Scope of examinations**

The questions propounded at said examination shall be submitted to the entire board before being adopted, and shall be certified by the said board as a reasonable and fair test of the candidate's qualifications, and as reasonably susceptible of answer **Examination questions; percentage required for passing**

or solution in the time allowed. Each subject shall be marked separately, and every applicant shall be required to obtain a mark of seventy-five (75%) per cent. in each subject upon which he is examined.

Preservation
and grading
of papers

All examination papers shall be preserved for a period of ninety days after each applicant shall have been notified as to his gradings and any applicant shall, upon written request to the board, have access to his papers and a statement of the reasons for the grading given.

Waiver of
examination;
certificates of
other states
and
countries;
previous
practice

Section 4. (a) *Be it further enacted*, that the board shall waive the examination of any person possessing the qualifications stated in section 2 of this act who (1) is the holder of a C. P. A. certificate issued under the laws of another state which extends similar privileges to certified public accountants of this state; provided, the requirements of said certificate in the said state are, in the opinion of the board, equivalent to the requirements in this state; (2) is the holder of a certificate of certified public accountant, or chartered accountant, or the equivalent thereof, issued under the laws of any foreign government; provided, the requirements for said certificates are, in the opinion of the board, equivalent to the requirements of this state; (3) has, for at least five years next preceding the date of his application, been practising as a public accountant, either maintaining an office, or serving as an accountant upon the staff of a reputable practising public accountant, four years of said five years' service to have been as a senior accountant, the last twelve months of which practice shall have been in this state, and who shall apply in writing to the board within three months after April 1, 1925. All persons qualifying under clauses one, two and three of this section shall receive certificates as certified public accountants. Provided, that nothing herein contained shall be construed as invalidating any certificate issued under prior laws in this state.

Certificates
previously
issued

Senior
accountant

For the purpose of this act a senior accountant is defined as one who is regularly placed in charge of accounting engagements.

Certificate
to practise
as "public
accountant"

(b) The board shall issue to all accountants of good moral character, who were engaged in public practice on January 1st, 1925, and who do not qualify under the provisions of subdivision (a) of this section, a certificate of authority to practise as a public accountant. This certificate of authority shall not confer any added title and the holder shall be known and styled only as a public accountant. Applications must be made for this certificate of authority before January 1st, 1926.

Section 5. *Be it further enacted*, that the board may revoke any certificate issued under this act if the holder thereof (1) shall be convicted of a felony, or (2) shall be declared by any court of competent jurisdiction to have committed any fraud, or (3) shall be declared by any court or commission to be insane or otherwise incompetent, or (4) shall be held by the board to be guilty of any act or default discreditable to the profession, or (5) in case the certificate shall have been issued to the holder thereof on account of his holding a C. P. A. or C. A. certificate from another state or country which has, after the issue of this certificate from this board, in any way depreciated the standard or equivalent of its privileges or requirements in accordance with the provisions of this act; provided, that written notice of the cause of such contemplated action and the date of the hearing thereon by the board shall have been mailed to the holder of such certificate at his last known address at least thirty days prior to such hearing. At all such hearings the attorney-general of this state, or one of his assistants designated by him, may sit with the board as legal counselor and advisor of the board, and to prepare for any legal action that may be determined upon by the members of the board.

Revocation
of
certificates

Section 6. *Be it further enacted*, that a uniform fee of twenty-five (\$25.00) dollars shall be charged by the board for each examination or certificate, or both, same to be paid in advance and to accompany application.

Fee for
examination

In case of the failure on the part of any applicant to attend the examination at the date specified by the board, or to pass a satisfactory examination, said applicant may appear at the next examination by said board for re-examination upon the payment of the further sum of ten (\$10.00) dollars.

All fees collected under the provisions of this act shall be paid into the state treasury of the state of Tennessee without any deduction for the expenses of administering the act, or otherwise.

Disposition
of fees

The members of the board shall receive a sum in full compensation for their service of not exceeding ten (\$10.00) dollars per day to each member for the time actually spent in attending all regular and special meetings of said board, and also all railroad travel expenses incurred in the performance of their duties under this act. The expense accounts of each member of said board to cover actual expense of travel in the performance of their duties in attending regular and special meetings of said board, and to be

Compensation and
expenses of
members
of board

approved by the commissioner of finance and taxation as all other expense accounts and items are required to be approved by law before a voucher warrant may be issued by the state comptroller.

Registration
of
certificates

The board shall report to the registrar of trades and professions of the state of Tennessee the time and place of holding all special meetings, and the registrar of trades and professions of the state of Tennessee, in the department of education, shall make due and proper publication of said meetings; the president and secretary of said board shall certify to the registrar of trades and professions the list of those entitled to certificates upon examination as provided in this act, and said certificates to be issued by the registrar of trades and professions.

Reports
on fees
collected

The per diem and expenses of members as provided in this act are in no event to exceed the amount of fees collected and turned into the state treasury. The president of said board to make quarterly reports to the state treasurer of the amounts collected and shall pay the same into the treasury within ten days after the end of each quarter. Said quarters to end April 1, July 1, October 1, and January 1 of each year.

License fees

Section 7. *Be it further enacted*, that the board shall in December of each year require every certified public accountant and every public accountant who holds a certificate of authority, to register with the board and pay a license fee of five (\$5.00) dollars for the privilege of practising public accounting in this state for the calendar year next following. This license shall be issued only to certified public accountants and public accountants qualifying under this or prior acts in this state.

Violations
and penalties

If any person, firm or corporation shall after January 1st, 1926, undertake to practise public accounting in this state without first having registered with the board and receive a license to practise, or if any person, firm or corporation represents himself or itself to the public as having received a certificate as provided for in this act, or falsely holds himself out as having qualified and having a certificate, without actually having said certificate from the state board of accountancy, or if, having received such a certificate, he shall continue to practise accountancy after said certificate has been revoked, or if any person shall otherwise violate any of the provisions of the act, he shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than one hundred (\$100.00) dollars nor more than five hundred (\$500.00) dollars,

or imprisonment for not less than one month nor more than six months, or both, in the discretion of the court.

For the purpose of this section a person engages in the practice of public accounting when he performs accounting work as distinguished from bookkeeping on a fee basis, per diem or otherwise, for more than one employer. In passing upon this question the board will consider specific acts as well as general business conduct.

Public
accounting
on a fee
basis

Nothing contained herein shall be considered as prohibiting accountants of other states from entering this state in pursuance of any engagement originating from without this state, provided that such accountant registers with the board, giving all facts relevant to such engagement and limits his practice to the subjects covered in the declaration filed.

Accountants
of other
states must
register

Section 8. *Be it further enacted*, that certified public accountants and public accountants practising in this state shall not be required to divulge nor shall they voluntarily divulge any information which they may have received by reason of the confidential nature of their employment.

Confidential
information

The information derived from or as the result of such professional service shall be deemed confidential provided, however, that nothing in this paragraph shall be taken or construed as modifying, changing or affecting the criminal or bankruptcy laws of this state or of the United States.

Section 9. *Be it further enacted*, that nothing herein contained shall be construed so as to prevent any person from being employed by a public accountant or by a certified public accountant within this state, provided such employed person does not sign reports nor assume any responsibility for the conduct of his employer's business.

Employment
of
accountants

Section 10. *Be it further enacted*, that all acts or parts of acts in conflict with the provisions of this act are hereby repealed. If any provision of this act is declared, by a court of competent jurisdiction, to be unconstitutional, such decision shall not be construed as invalidating the entire act, but only of the section upon which such decision is based.

Repeal of
conflicting
acts

Section 11. *Be it further enacted*, that this act shall take effect from and after its passage, the public welfare requiring it.

TEXAS

REVISED STATUTES OF 1925

**Board
created**

Article 31. The state board of public accountancy shall be composed of five members, who shall be public accountants of good moral character, each of whom shall have had at least three years' practical experience as a public accountant on his own account, immediately preceding his appointment.

**Qualifica-
tions**

Article 32. On and after the third Tuesday in January, and regularly biennially thereafter, the governor shall appoint five members on said board. All appointments or vacancies in said board shall be filled from the roster of certified public accountants created under this law. The revocation of the certificate of any member of this board shall terminate his membership thereon.

**Rules and
by-laws**

Article 33. At the first meeting after each biennial appointment the board shall elect from among its members a chairman and secretary-treasurer. The board may prescribe rules, regulations and by-laws not inconsistent with this title nor with the laws of this state for its own proceedings and government and for the examination of applicants for certificates as certified public accountants. All rules, regulations and by-laws adopted by the said board shall be filed in the office of the secretary of state.

Meetings

Article 34. The board shall meet within sixty days after its appointment and at least once in each year for the purpose of examining applicants for certificates, and may meet as many times during the year as may be in its discretion advisable. Notice of all meetings shall be given at least thirty days prior to the dates selected for same by publication three consecutive times in three daily newspapers published in the three most populous cities in the state, such notice giving the time and place of meeting and stating the purpose to be for the examination of applicants for certificates as certified public accountants. The board may hold any number of meetings, and at any time, without giving notice by publication of such meetings, if a meeting be called for any other purpose than the examination of applicants for certificates. Any applicant who has successfully passed an examination before said board upon three of the subjects required may have a re-examination upon the unsuccessful subject under the supervision of said board. Examinations by the board shall be on the follow-

ing subjects: theory of accounts, practical accounting, auditing, and commercial law as affecting accountancy. Each applicant shall be required to make a general average of at least seventy-five per cent on all subjects. To each person passing such examination, if he has otherwise qualified, shall be issued by the board a certificate as a "certified public accountant of the state of Texas."

Article 35. The board shall preserve a record of its proceedings in a book kept for that purpose, showing the name, age and duration of residence of each applicant, the time spent by the applicant in practice as a public accountant, or in employment in the office of a public accountant, and the year and school, if any, from which degrees were granted or in which the course of study was successfully completed by the applicant as required by law. Said register will show whether applicants were rejected or licensed, and shall be prima-facie evidence of all matters contained therein. The secretary of the board shall, on December 31st of each year, transmit an official copy of said register to the secretary of state for permanent record, certified copy of which, under the hand and seal of the secretary of said board or secretary of state, shall be admitted in evidence in any court or proceeding. **Records**

Article 36. No person shall be permitted to take an examination unless he be twenty-one years of age, of good moral character, a citizen of the United States, and shall have had one year's study and practice in accountancy or accounting work. **Applicants**

Article 37. The board may in its discretion waive the examination and issue a certificate to any person who has received and holds a valid and unrevoked certificate as a certified public accountant issued by or under the authority of any state or territory of the United States or the District of Columbia, or who holds the equivalent of such certificate by and under the express legal authority of any foreign nation, if such certificate or degree shall, in the opinion of the board, have been issued under a standard fully equivalent to that of the requirements of said board, and issued by such state or territory as may extend the same privilege to certified public accountants holding certificates from this state; provided, that such applicant shall have qualified as provided in article 36. **Reciprocity**

Article 38. Each applicant for a certificate as certified public accountant shall, at the time of making application, pay to the treasurer of said board a fee of twenty-five dollars, and no applica- **Fees**

tion shall be considered by said board until said fee shall have been paid. In case of failure to pass a satisfactory examination, said applicant may have the privilege of appearing at any subsequent examination conducted by said board for re-examination, upon the payment of an additional fee of ten dollars. The holder of each certificate issued hereunder shall pay an annual fee of one dollar into the treasury of the state board of public accountancy. The failure on the part of the holder of any certificate issued under this law to pay this fee shall automatically cancel the privilege of using the title "certified public accountant," but reinstatement may be had at any time within two years and two months, by the payment of the fee and application in such form as the board may provide and the payment of a penalty of \$2.50 for each year lapsed.

Expenses

Article 39. Each member of said board shall receive from the secretary-treasurer of the board, out of the funds in the hands of the board, if there be sufficient thereof, all of his necessary railroad and hotel expenses for attending the meetings of said board, but otherwise shall serve without compensation. The secretary-treasurer shall be required to keep an account of all money received and disbursed and shall render an annual statement to the governor showing receipts and disbursements and the balance on hand. The balance shall remain in the treasury of the board, and all expenses in connection with the maintenance of the board shall be paid from same. No provisions of this law shall be a charge upon the common funds of this state.

**Revocation
of
certificate**

Article 40. The state board of public accountancy shall revoke and recall any certificate issued under this act if the holder thereof:

(1) Shall be convicted of a felony; (2) shall be declared by any court to have committed any fraud; or (3) shall be declared by any court or commission to be insane or otherwise incompetent; or (4) shall be held by this board to be guilty of any act or default discreditable to the profession. Written notice of the cause of such contemplated action and the date of the hearing thereof by this board shall be served upon the holder of such certificate at least fifteen days prior to such hearing, or shall be mailed to the last known address of such holder of such certificate at least twenty days prior to such hearing. At such hearing the attorney general, or any one of his assistants, or any district attorney designated by him, may sit with the board as legal counsellor.

Article 41. Nothing herein shall be construed to prevent any person from being employed as an accountant in this state in either public or private practice. The purpose of this law is to provide for the examination and the issuance of a certificate or degree, granting the privilege of the use of the title "certified public accountant," and the use of the initials "C. P. A.," as indicative of the holder's fitness to serve the public as a competent and properly qualified accountant in public practice, and to prevent those who have no such certificate or degree from using such title or initials.

Construction
of law

UTAH

AN ACT amending section 3, compiled laws of Utah, 1917, as amended by chapter 1, laws of Utah, 1921, relating to certified public accountants. (Approved March 8, 1923.)

Be it enacted by the legislature of the state of Utah:

Section 1. That section three, compiled laws of Utah, 1917, as amended by chapter 1, laws of Utah, 1921, be amended to read as follows:—

Qualifications
of applicants

Section 3. Any citizen of the United States or any person who has declared his intention to become a citizen, who is residing in this state or has established a place of business therein, being over the age of twenty-one years and of good moral character, a graduate of a standard high school, or having equivalent education, and having had two years' experience in public accountancy or such varied experience in business and bookkeeping of not less than three years as shall be deemed the equivalent thereof, may apply to the department of registration for examination under its rules, and if found qualified the department shall issue to him a certificate of qualification to practise as a public accountant, and upon the issuance and receipt of such certificate, and during the period of its existence, or of any renewal thereof, he shall be styled and known as a certified public accountant.

The department may provide that the completion of a course in a college of commerce may be credited as a part of the experience required.

Accountants
of other
states;
Institute
members

The department may in its discretion issue a certificate, without examination, to a practitioner who has been registered and certified in any state or territory of the United States or who has been admitted to membership in the American Institute of Accountants, upon such conditions as may be prescribed by rule of the department.

Violations
and penalties

Section 4. (04.) If any person shall represent himself to the public as having received a certificate as provided in this title, or shall assume to practise as a certified public accountant, or use the abbreviation C. P. A. or any similar words or letters to indicate that the person using the same is a certified public accountant, without having received such C. P. A. certificate as provided in this title, or if any person, having received any such

certificate and having thereafter lost it by revocation, or by failure to renew the same, as herein provided, shall continue to practise as a certified public accountant, he shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined a sum not exceeding \$200 for each offense.

VERMONT

CHAPTER 266

Who may be certified

Section 6184. A citizen of the United States who is a resident of the state, who is over the age of twenty-one years, of good moral character and a graduate of a high school or has an equivalent education and who has received from the state board of accountancy, a certificate of his qualifications to practise as an expert public accountant, shall be styled and known as a certified public accountant.

State board of accountancy

Section 6185. The state board of accountancy shall consist of the auditor of accounts, the state treasurer and the commissioner of banking and insurance.

Examinations; notice

Section 6186. Said board shall annually hold an examination in the theory of accounts, practical accounting, auditing and commercial law, for applicants for such certificates: and said board may adopt the examination prepared by the American Institute of Accountants and pay said institute the required examination fee therefor.

Fees; certificates; re-examination

Section 6187. Applicants for certificates shall, before taking such examination, pay said board a fee of twenty-five dollars. Said board shall issue certificates to such applicants as are found qualified. An applicant who fails to pass a satisfactory examination may be re-examined at any future meeting of the board without fee: but, for an examination subsequent to such re-examination, a fee of five dollars shall be paid.

Certificate without examination

Section 6188. Said board may, without examination, issue a certificate to a public accountant who has received a certificate in compliance with the laws of another state upon the payment of a fee of twenty-five dollars and upon the certificate of the board of public accountancy or other like board of the state in which such public accountant has practised, certifying to his competency and good moral character.

Record

Section 6189. Said board shall keep a book in which it shall enter the name of each person to whom a certificate is issued under the provisions of this chapter.

Revocation of certificate; hearing

Section 6190. Said board may revoke for sufficient cause a certificate issued under this chapter: provided that written notice is mailed to the holder of such certificate, at his last known address, at least twenty days before any hearing thereon, stating the cause

of such contemplated action and appointing a time for a hearing thereon by said board: and a certificate issued under this chapter shall not be revoked until such notice has been given and a hearing held in accordance therewith, if requested by the holder of such certificate.

Section 6191. Said board shall quarterly, on the first day of February, May, August and November, make a report to the state treasurer of examinations given and certificates granted under this chapter, and pay into the state treasury the money received therefor, in excess of the expenses of such examinations and certificates. Report to
state
treasurer

Section 6192. A person who falsely represents himself to be a public accountant, registered under the provisions of this chapter, shall be fined not more than five hundred dollars. Penalty

VIRGINIA.

AN ACT to amend and re-enact sections 566, 567, 568, 569, 570, 571, and 572 of the code of Virginia, relating to the state board of accountancy, and to add a new section relating thereto, designated as section 572a. Chapter 158; as amended by general assembly of Virginia, session of 1928. (Approved March 26, 1928.)

1. *Be it enacted by the general assembly of Virginia*, that sections five hundred and sixty-six, five hundred and sixty-seven, five hundred and sixty-eight, five hundred and sixty-nine, five hundred and seventy, five hundred and seventy-one, and five hundred and seventy-two of the code of Virginia, be amended and re-enacted, and that a new section be added thereto, designated as section five hundred and seventy-two (a), which sections so amended and re-enacted, and the said new section shall read as follows:

State board
of
accountancy,
number and
qualification
of members,
vacancies

Section 566. The state board of accountancy, as created by chapter one hundred and fifty-eight of the acts of assembly of nineteen hundred and ten, is continued, and shall continue to consist of five members to be appointed by the governor; one member shall be a practising attorney in good standing in any of the courts of this state; one member shall be an educator, and the other three members shall be practising certified public accountants who shall have been actively engaged in such practice for at least three years next preceding their appointment, and who hold certified public accountant's certificates issued by the said state board of accountancy.

The persons who constitute said board when this amendatory act takes effect shall continue in office until the first day of July, nineteen hundred and twenty-eight; and at least thirty days' prior thereto, and every three years thereafter, the governor shall appoint their successors for terms of three years, respectively.

Vacancies occurring for any cause shall be filled by appointment by the governor for the unexpired term.

Who may
become
certified
public
accountants,
and public
accountants

Section 567. The certificate of "certified public accountant" shall be granted by the state board of accountancy to any person who is (a) a citizen of the United States or who has duly declared his or her intention of becoming such citizen, and who is domiciled in the state of Virginia, or has a place of business therein at the time of making application, and (b) who is over the age of twenty-one

years, and (c) who is of good moral character, and (d) who is a graduate of a high school with a four years' course or who, in the opinion of the board, has had equivalent education through commercial experience, or otherwise, and (e) who shall have continuously for at least two years immediately preceding the date of his or her application been engaged in practice as a public accountant or shall have been in the employ of a practising certified public accountant, or public accountant as a staff accountant, or shall have been part of such time in such practice and part of such time in such employ or who in the opinion of the board shall have had experience equivalent to that required in the foregoing or shall have had sufficient experience to entitle him to practise accountancy in the event he or she passes the examination herein provided, and (f) who shall have passed examination in theory of accounts, in practical accounting, in auditing, in commercial law as affecting accountancy and in such other related subjects as the board may deem advisable. No applicant shall be examined in these subjects stated in (f) above until the board shall have been satisfied in respect to the other requirements, stated in (a) to (e) above, inclusive, except, however, that any person possessing the necessary qualifications, except the practical experience, who may have completed an accountancy course in a university or college of recognized standing, or graduated from an accountancy school acceptable to the board, may be examined in the subjects specified in (f) above, even though lacking in respect to the required practical experience, and upon receiving a satisfactory grade may be granted the certificate of certified public accountant, but not until the said practical experience shall have been obtained, and any person receiving such certificate shall be known and styled as a "certified public accountant."

Any person or member of a partnership having an office in this state who, for at least eight months next preceding his application for registration hereunder, has held himself out to the public generally as a practising public accountant for compensation, and who has maintained in this state an office for the transaction of such practice and whose time during the regular business hours of the day was devoted to the practice of public accountancy, may, within three months after July first, nineteen hundred and twenty-eight, apply in writing to said board for registration as a "public accountant," and the said board, upon the production of satisfactory evidence that such applicant was engaged in the public practice

of accountancy and maintained an office for that purpose, as provided above, shall register such person, provided he or she, at the time of the application possesses the requisites of citizenship, age, moral character, and education herein set forth. Such registration shall be conclusive evidence of the right of such person to engage in the practice of public accounting in this state, but such registration shall not be construed in any way as indicating that the state board of accountancy has assumed any responsibility for the professional experience and qualifications of the registrant; and any person so registered shall be known and styled as a "public accountant."

Any partnership practising accountancy in this state may use the designation or practise as certified public accountants under a firm name only if all the members thereof are holders of certified public accountant's certificates granted under the laws of this state, and any partnership practising accountancy in this state may use the designation or practise as public accountants under a firm name only if all the members thereof are duly registered and qualified as public accountants under the provisions hereof or are registered with the board under the provisions of section 572 (a). Each of the members of any partnership which shall use the designation "certified public accountants" or "public accountants" except upon compliance with the requirements hereinbefore made shall be subject to the penalties prescribed in section 572 of this act.

Examination
of applicants

Section 568. All examinations provided for in this chapter shall be conducted by the state board of accountancy, or by a majority thereof. The examinations shall be held in Richmond at least once in each year, or oftener, in the discretion of the board. The time and place of holding examinations shall be duly advertised for not less than three consecutive days in at least one daily newspaper published in Richmond, one published in Norfolk, one published in Lynchburg, and one published in Roanoke, not less than thirty days prior to the date of each examination. The board may make all needful rules and regulations regarding the conduct and scope of the examination, the method and time of filing applications for examination and all other rules and regulations necessary to carry into effect the purpose of this act.

When board
may waive
examination

Section 569. The board may, in its discretion, waive the examination provided in this chapter, and may issue a certificate of certified public accountant to any person who possesses the other qualifications stated in section 567, and who is the holder of a

certificate of certified public accountant issued under the laws of any state or territory or the District of Columbia which extends similar privileges to certified public accountants of this state, provided the requirements for such certificate in the state or territory or the District of Columbia which has granted it to the applicant are, in the opinion of the board, equivalent to those herein required; or who is the holder of a certificate of certified public accountant, or the equivalent thereof, granted under the authority of a foreign nation, provided the requirements for such certificates are, in the opinion of the board, equivalent to those herein required.

Section 570. The board may revoke any certificates issued or cancel any registrations made under this act if the holder or registrant (a) shall be convicted of a felony, or (b) shall be declared by any court of competent jurisdiction to have committed any fraud, or (c) shall be declared by any competent court or commission to be insane or otherwise incompetent, or (d) shall be held by this board to be guilty of any act or default discreditable to the profession, provided that written notice of the cause of such contemplated action and bill of particulars thereof and the date of the hearing thereon by this board shall have been mailed to the holder of such certificate or to such registrant at his or her last known address at least twenty days prior to such hearing. At all such hearings the attorney general of this state, or one of his assistants designated by him, shall, upon request of the board or the person accused, sit with the board with all the powers of a member thereof. Any person whose certificate is revoked or whose registration is cancelled by the board shall have the right of appeal, within thirty days from date of final decision of the board, to the supreme court of appeals of Virginia.

Revocation
of
certificate;
appeals

Section 571. The board shall charge each applicant for a certificate of "certified public accountant" a fee of twenty-five dollars for the examination and certificate provided for in this chapter, which fee shall be payable at the time of the application. In the case of the failure on the part of any applicant to attend the examination on the date specified by said board, or to pass a satisfactory examination, said applicant may appear at subsequent examinations of said board for re-examination, within a period of two years from the date of the first examination upon the payment of the further sum of ten dollars. The board shall charge each applicant for

Fees to be
paid by
applicants;
per diem and
expenses of
members
of board;
report to
governor

registration as a "public accountant" a fee of ten dollars payable at the time registration is made.

The board shall, on July first of each year, issue a registration card to any holder of a certificate of "certified public accountant" issued under the laws of this state, or other states, as provided in section five hundred and seventy-two (a), or to any duly registered "public accountant" which card shall be good until June thirtieth of the next succeeding year charging therefor not more than five dollars per year. Interim registration cards shall be issued to applicants who have complied with the provisions of this act. Failure to secure a registration card in any year shall not disqualify a person previously duly registered as a "public accountant" from securing a card in a future year, if said person decides to return to the public practice of accountancy, and shall not operate to revoke a certified public accountant certificate once issued, but shall remove the holder thereof from those registered and authorized to practise during the year. When registration cards are secured after July first of each year, such persons shall not be subject to the penalty prescribed in section five hundred and seventy-two, provided cards were secured prior to charges having been preferred against such persons, that were practising unlawfully.

All fees collected by said board shall be by it paid quarterly into the state treasury. The members of the board shall receive an amount not exceeding ten dollars per day to each member, for the time actually spent in the performance of their duties under this chapter, which as well as their necessary traveling expenses and other expenses incident to awarding certificates, et cetera, shall be paid out of the state treasury, from funds not otherwise appropriated, on warrants drawn by the comptroller, on certificates issued by the chairman of the board.

The board shall report annually to the governor the number of certificates issued and the amount of receipts and expenses under this chapter.

Section 572. From and after the first day of January, nineteen hundred and twenty-nine, it shall be unlawful for any person to engage in the public practice of accountancy in the state of Virginia except those possessing certificates of certified public accountant issued by this state, and/or duly registered public accountants. Any person not certified by the Virginia state board of accountancy, or any person to whom a certificate was issued but subsequently revoked who shall practise as a certified public account-

ant, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than five hundred dollars, or imprisoned for not more than six months, or both, in the discretion of the court or jury. Any person not registered as a public accountant by the Virginia state board of accountancy, who shall assume to practise as a public accountant either by the use of the words "public accountant" on his or her door or stationery, or by signing in the capacity of an accountant a certificate in writing in reference to any financial statement, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than five hundred dollars or imprisoned for not more than six months, or both, in the discretion of the court or jury; provided, however, that nothing contained in this act shall prohibit any person from engaging in any accountancy work for one or more persons so long as such person does not hold himself or herself out to the public as a certified public accountant, public accountant, or accountant or auditor, offering his or her services to all those who may choose to apply; provided further, that nothing contained in this act shall prevent the employment of uncertified persons or non-public accountants in subordinate capacities by a certified public accountant or public accountant, or by a firm or partnership, the members of which are all holders of certified public accountant's certificates granted under the laws of this state or duly registered public accountants.

Section 572-a. All statements, records, schedules and memoranda made by a certified public accountant or a public accountant, or by an employee or employees of a certified public accountant, or public accountant, incident to or in the course of professional service to clients by such certified public accountant, or public accountant, except reports submitted by a certified public accountant, or public accountant, to a client, shall be and remain the property of such certified public accountant, or public accountant, in the absence of a written agreement between the certified public accountant, or public accountant, and the client, to the contrary.

Ownership
of
professional
papers

Nothing contained in the foregoing sections shall be construed as preventing certified public accountants of recognized standing of other states, or territories, or the District of Columbia or holding equivalent certificate, granted under authority of a foreign nation, from undertaking accountancy engagements in this state, provided

Certified
public
accountants
from other
states

they present to the board evidence showing that they are certified public accountants in good standing and obtain from the board the registration card referred to hereinbefore.

2. All acts and parts of acts in conflict with any of the provisions of this act, are hereby repealed.

WASHINGTON

LAWS OF 1903

Section 8266. Remington's compiled statutes, title LIV. The state board of accountancy shall have its office at such place in the state of Washington as shall be designated by the board, and its powers and duties shall be as follows:

State board

First: To formulate rules for the government of the board and for the examination of, and granting of certificates of qualification to, persons applying therefor.

Powers and duties

Second: To hold written examination of applicants for such certificates, at least semi-annually, at such places as circumstances and applications may warrant.

Examinations

Third: To grant certificates of qualification to such applicants as may, upon examination, be found qualified in theory of accounts, practical accounting, auditing, and commercial law, to practise as certified public accountants.

Certificates granted

Fourth: To charge and collect from all applicants such fee, not exceeding twenty-five dollars, as may be necessary to meet the expenses of examination, issuance of certificates, and conducting its office: provided, that all such expenses, including not exceeding five dollars per day for each member while attending the sessions of the board or conducting the examinations, must be paid from the current receipts; and no portion thereof shall ever be paid from the state treasury.

Application fees; expenses of board

Fifth: To revoke for cause such certificates, after written notice to the holder, and a hearing being had thereon: provided, that such revocation must receive the affirmative vote of at least four members of the board.

Revocation of certificates

Sixth: To report annually to the governor, on or before the first day of January in each year, all such certificates issued during the preceding year, together with a detailed statement of receipts and disbursements; provided, that any balance remaining in excess of expenses incurred shall be transferred to the common school fund of the state.

Annual reports

Seventh: The board may, in its discretion, under regulations provided by its rules, waive the examination of applicants possessing the qualifications mentioned in sub-section three of this section, who shall have been for more than one year prior to the passage of this act residents of the state of Washington, and who

Waiver

shall, in writing, apply for such certificate within one year thereafter.

Renewal fees

Eighth: Every certified public accountant, during the time he continues the practice of his profession, shall, annually, on such date as the board of accountancy may determine, pay to the secretary of said board of accountancy a fee of one dollar, in return for which payment he shall receive a renewal certificate for one year.

Who may be certified; use of title

Section 8268. Any citizen of the United States, or any person who has duly declared his intention of becoming such citizen, residing and doing business in the state of Washington, being over the age of nineteen years and of good moral character, may apply to the state board of accountancy for examination under its rules, and for the issuance to him of a certificate of qualification to practise as a certified public accountant; and upon the issuance and receipt of such certificate, and during the period of its existence, he shall be styled and known as a certified public accountant; and no other person shall be permitted to assume and use such title, or to use any words, letters or figures, to indicate that the person using the same is a certified public accountant.

Violations and penalties

Section 8269. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and, upon conviction thereof before any court of competent jurisdiction, shall be punished by a fine in any sum not exceeding one hundred dollars.

WEST VIRGINIA

ARTICLE 9, CHAPTER 30

1. Any citizen of the state of West Virginia, or any citizen of any other state having an office in this state, over the age of twenty-one years and of good moral character, who shall have received from the state board of certified public accountants or from the governor of the state of West Virginia a certificate to practise as a public expert accountant, as hereinafter provided, shall be designated and known as a certified public accountant; and every person holding such certificate and every copartnership of accountants, every member of which shall hold such certificate, may assume and use the title of certified public accountant, or the abbreviation thereof, "C. P. A."

Qualifications

2. There shall be a state board for the examination of persons applying for certification under this article, known as the "West Virginia board of certified public accountants," which shall consist of three certified public accountants who have been in practice in this state for at least five years, and who shall be appointed by the governor by and with the advice and consent of the senate. The members of the board in office on the date this code takes effect shall, unless sooner removed, continue to serve until their respective terms expire and until their successors have been appointed and have qualified. On or before the first day of July, nineteen hundred and twenty-seven, and on or before the first day of July of each year thereafter, the governor shall appoint one member to serve for a term of three years, commencing on said first day of July, and any member shall be eligible for reappointment.

Board of certified public accountants; examination; certificate

The examination for certificates shall cover such subjects as the theory of accounts, practical accounting, auditing, commercial arithmetic, bookkeeping and commercial law, and such other subjects as the board may deem proper. The result of all examinations shall be filed in the office of the secretary of state and kept for reference and inspection for a period of not fewer than five years, and the applicant upon passing the examination provided by the board shall receive from the board a certificate of his qualification as such certified public accountant.

Revocation
of
certificate

3. The board may revoke any such certificate, for sufficient cause, but before doing so it shall give written notice to the holder thereof and give him the right to appear for a hearing thereon.

Fraudulent
misrepresent-
ation by
accountant

4. Any person who shall hold himself out as having received the certificate provided for in this article, or who shall assume to practise thereunder as a certified public accountant, or use the initials C. P. A., or C. A., without having received the certificate provided for in this article, or after the same shall have been revoked, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not exceeding five hundred dollars: provided, that the provisions of this article shall not apply to any duty required to be performed under the provisions of article nine, chapter six of this code.

WISCONSIN

CHAPTER 135

135.01. (1) The governor shall, within thirty days after the passage of this act, appoint three suitable persons, residents of the state of Wisconsin, who are hereby constituted a board by the name and style of the "Wisconsin state board of accountancy." The members of said board, with the exception of the members first to be appointed, shall be the holders of certificates issued under the provisions of sections 135.01 to 135.09, inclusive, shall hold office for a term of three years and until their successors are appointed and qualified.

State board
of
accountancy

(2) Of the members of the board first to be appointed, one shall be a professor of economics, finance, accountancy, or business administration and commercial law in a school of higher learning, and two shall be skilled public accountants who shall, for not less than three consecutive years, have been actually engaged in practice as public accountants. Such members shall hold office one for a term of one year, one for a term of two years, and one for a term of three years. The term of office of each shall be designated by the governor in his appointment.

(3) The persons so appointed shall meet and organize within ninety days after their appointment and shall reorganize each year thereafter. A majority of said board shall constitute a quorum. They shall elect one of their number as president, one as vice president, and one as secretary, and said officers shall hold their respective offices for the term of one year and until their successors are elected and qualified. The affirmative vote of two members of said board shall be considered as the action of said board, except in actions relative to the revocation of any certificate as provided for in subsection (1) of section 135.05. In all such cases three affirmative votes shall be considered the action of said board.

(5) In addition to the other duties provided by sections 135.01 to 135.09, inclusive, it shall be the general duty of this board to foster the standard of education pertaining to the science and art of accountancy, not only in its relationship to the interest of individual and organized business enterprises but in its relationship to the welfare of government, both general and local. This board shall endeavor, both within and without the profession of account-

ancy, to bring about a better understanding of the relationship of the science of accounting to the problems of public welfare.

Examination
of
accountants

135.02. (1) No certificate as a certified public accountant shall be granted to any person other than a citizen of the United States, or person who has in good faith declared his intention of becoming such citizen, who is over the age of twenty-three years and of good moral character and (except under the provisions of section 135.03) who shall have successfully passed an examination in commercial accounting, governmental accounting, auditing, commercial law as affecting accountancy and in such other subjects as the board may deem necessary.

(2) Examinations shall be held by the board at least once in each year at such times and places as may be determined by them. The time and place of holding examinations shall be advertised for not less than three consecutive days, not less than thirty days prior to the date of such examination, in at least one daily newspaper printed and published in the city of Milwaukee and in at least one daily newspaper printed and published in the city of Madison. Each applicant shall also be notified by mail, by the secretary of the board, at the address mentioned in the application, when and where such examination will be held. Such notice shall be mailed not less than thirty days prior to the date of the next examination.

(3) All certificates issued under the provisions of sections 135.01 to 135.09, inclusive, shall be signed by at least two members of the board. The board shall record its proceedings, list all certificates issued and revoked and shall maintain such other records as may be necessary or desirable and all records shall be open to the inspection of the public at the office of the secretary of the board. The members of the board shall have the power of administering oaths as may be necessary to carry out the provisions of sections 135.01 to 135.09, inclusive.

(4) The board may make all needful rules and regulations regarding the conduct of the examinations or their character or scope, the method and time of filing applications for examination and their form and contents, and all other rules and regulations necessary to carry into effect the purposes of sections 135.01 to 135.09, inclusive.

Waiver of
examination

135.03. The state board of accountancy may, in its discretion, waive the examination of, and issue a certificate to any person possessing the qualifications mentioned in subsection (1) of section 135.02, who

(1) Is the holder of a certificate to practise as a certified public accountant issued under the laws of any other state, provided such certificate was issued upon due examination, and provided that the requirements of the law of such state are, in the opinion of the board, equivalent to the requirements of the law of this state;

(2) Is the holder of a certificate or license to practise as a public accountant issued in any foreign country, provided such certificate was issued upon due examination, and provided that the requirements regulating the issuance of such certificate are, in the opinion of the board, equivalent to the requirements of the law of this state;

(3) Shall have had more than three years' experience as a public accountant and who either shall have been a resident of this state for at least one year prior to the passage of this act, or who, individually or as a member of a partnership or as an executive officer of a corporation, shall have maintained in this state an office for the regular transaction of business as a public accountant for not less than one year prior to the passage of this act. The provisions of this subdivision shall apply only to such persons as shall have applied in writing within six months after the appointment of the first board, as provided in section 1636—204 as enacted by the legislature of 1913.

135.04. Any person who has received from the Wisconsin state board of accountancy a certificate of his qualifications to practise as a public accountant shall be known and styled as a "certified public accountant," and no other person and no partnership, all the members of which have not received such a certificate, and no corporation, shall assume such title or the title "certified accountant" or "chartered accountant" or "chartered public accountant" or the abbreviation "C. P. A." or any words, letters, or abbreviations tending to indicate that the person, firm, or corporation so using the same is a certified public accountant.

Certificates;
practice

135.05. (1) The board shall revoke any certificate issued under sections 135.01 to 135.09, inclusive, for unprofessional conduct or other sufficient cause; provided, that written notice of the cause of such contemplated action and the date and place of the hearing thereon by the board shall have been mailed to the holder of such certificate at his last known address at least twenty days before such hearing. At the said hearing the attorney-general of this state or one of his assistants, designated by him, shall sit with said board with all the powers of a member thereof.

Revocation
of
certificate

(2) All suits and proceedings arising out of the provisions of sections 135.01 to 135.09, inclusive, in which this board or any of its members or agents shall be parties shall be conducted under the direction and supervision of the attorney-general. All expense incurred by or for the department of the attorney-general in performing his duties under said sections shall be paid in the same manner as other expenses of his department and shall be charged against the appropriation for the department of the attorney-general.

Examination
fee

135.06. (1) Any person making an application for examination or certificate shall accompany such application with a United States money order or a certified check indorsed to the treasurer of the state of Wisconsin in the sum of twenty-five dollars for application filed under section 135.02 or under subdivision (1) of section 135.03 and in the sum of fifty dollars for application filed under subdivision (2) or (3) of section 135.03. Should such application be rejected by the state board of accountancy, such check or money order shall be returned to the applicant but immediately upon approval of the application such check or money order shall be deposited in the treasury of the state, in the manner provided by law, and shall be added to the general fund.

(3) Every applicant, who shall be unsuccessful in the initial examination, shall have the privilege of one re-examination without payment of an additional fee, if application for such re-examination be made within two years from the date of the first examination.

Unauthorized
practice

135.07. (1) If any person represents himself to the public as having received a certificate as provided in sections 135.01 to 135.09, inclusive, or shall assume to practise as a certified public accountant, a certified accountant, a chartered public accountant, a chartered accountant, or use the abbreviation C. P. A. or any other words, letters or abbreviations to indicate that the person using the same is a certified public accountant, within the meaning of said sections, without having received a certificate to practise as a certified public accountant as herein provided, or having been deprived of such certificate by revocation, as hereinbefore provided, shall continue to practise or represent himself as a certified public accountant, he shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than fifty dollars nor more than two hundred dollars, or by imprisonment in the county jail for a period of not less than one month

nor more than six months, or by both such fine and imprisonment in the discretion of the court for each day during which he shall have practised or violated any of the provisions of said sections.

(2) Subsection (1) of section 135.07 shall also apply to all partnerships, all the members of which have not received such certificates to practise as certified public accountants, and the penalties provided shall apply to all members of such partnerships. Subsection (1) of section 135.07 shall likewise apply to all corporations who shall assume such title or other words, letters, or abbreviations, and the penalties provided therein shall apply to each officer and director of such corporations.

(3) Nothing in sections 135.01 to 135.09, inclusive, shall be construed to exclude any person from practising as a public or expert accountant in this state, but said sections shall apply to such persons, partnerships or corporations representing themselves or practising as set forth in subsection (1) of section 135.07.

135.08. If any person practising in the state of Wisconsin as a certified public accountant under sections 135.01 to 135.09, inclusive, or if any person who is in the practice of public accountancy as a certified public accountant or otherwise, shall be found guilty of gross negligence or carelessness or shall wilfully falsify any report or statement bearing on any examination, investigation, or audit made by him or under his direction, he shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not less than one hundred dollars, nor more than one thousand dollars, or by imprisonment in the county or city jail for a term of not less than three months nor more than one year or by both such fine and imprisonment for each time he may be convicted of such a misdemeanor.

Negligence;
misconduct

135.09. (1) Whenever any person shall, as a certified public accountant, sign or certify any report, schedule, or statement relative to the affairs of any corporation, association, firm, or copartnership, in which such person is financially interested, or by which such person is regularly engaged as an officer or employee, such signature or certification shall be accompanied by a specific statement setting forth the fact that such person is financially interested in, or is an officer or regular employee of such corporation, association, firm, or copartnership. If such person is both financially interested and an officer or regular employee, the statement shall cover both such financial interest and employment.

Certificate
of
accountant
must disclose
personal
interest

(2) The board may make and enforce all necessary rules and regulations relative to the foregoing provisions and may determine upon the particular phraseology necessary to carry into effect the provisions thereof.

Violations
Penalties

(3) Any person who shall violate the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than fifty dollars nor more than two hundred dollars.

Prosecutions

135.10. It shall be the duty of the respective district attorneys to prosecute all violations of the provisions of sections 135.01 to 135.09, inclusive.

Records
stored with
superintend-
ent of public
property

135.11. Papers, documents and records pertaining to the work of the state board of accountancy may, in the discretion of the said board, be stored in the custody of the superintendent of public property.

WYOMING

AN ACT to create a state board of accountancy and to regulate public accountants. (Approved, Feb. 17, 1911.)

Be it enacted by the general assembly of the state of Wyoming:

Section 1. Within thirty days after the passage of this act the governor shall appoint three persons to constitute a state board of accountancy. The members of said board shall be persons skilled in the knowledge and practice of accounting and actively engaged as professional accountants within the state of Wyoming.

State board

Section 2. The members of such board shall hold office for three years, or until their successors are appointed and have qualified, except that of the members first appointed under this act, one shall hold office for one year, one for two years, and one for three years. The term of each to be designated by the governor in his appointment. Upon the expiration of each of said terms a member shall be appointed by the governor for the period of three years, and after the thirty-first day of December, 1911, the members of said board shall be appointed from among the holders of certificates issued under this act.

Members of board; appointment and term of office

Section 3. The board shall determine the qualifications of persons applying for certificates under this act and make rules for the examination of applicants and the issue of certificates herein provided for.

Duties of board

Section 4. The board shall organize by the election of one of its members as president, one member as secretary and one as treasurer; provided, however, that the office of secretary and treasurer may be held by one person.

Officers of board

Section 5. The treasurer shall give bond to the state in such sum as may be determined by the board.

Treasurer's bond

Section 6. The board shall keep a complete record of all its proceedings and shall annually submit a full report to the governor.

Annual report

Section 7. The board shall grant certificates of qualification to such applicants as may, upon examination, be qualified in theoretical and practical accounting, commercial law as affecting accountancy, and in such other subjects as the board may deem advisable. A majority of the board shall constitute a quorum, and the vote of two members shall be considered as the action of the board.

Granting of certificates

Who may be certified

Section 8. Any citizen of the United States, or person who has duly declared his intention of becoming such citizen, over the age of twenty-one years, of good moral character, being a graduate of a high school or having had an equivalent education, who has had at least three years' experience in the practice of accounting, and has passed a satisfactory examination as herein provided, shall be entitled to a certificate as public accountant, and shall be styled and known as a certified public accountant.

Examination

Section 9. The examination shall be held as often as may be necessary in the option of the board, and at such times and places as it may designate, but not less frequent than once in each calendar year.

Fees

Section 10. The board shall charge for each examination and certificate provided for in this act a fee of twenty-five dollars. This fee shall be payable to the treasurer of the board by the applicant at the time of filing the application. In no case shall the examination fee be refunded, but said applicant may be re-examined within eighteen months from the date of his application without payment of an additional fee.

Compensation of board members

Section 11. The members of the board to be appointed under the provisions of this act shall be paid, for the time actually expended in the pursuance of the duties imposed upon them by this act, an amount not exceeding ten dollars per day, and they shall also be entitled to necessary traveling expenses.

Expenses and funds of board

Section 12. From the fees collected, the board shall pay all expenses incident to the examinations to be held under this act, the expenses of preparing and issuing certificates, the traveling expenses of examiners, and their compensation while performing their duties under this act; provided, that no expense incurred under this act shall be a charge against the state. Any surplus arising shall at the end of each year be deposited by the treasurer of the board with the state treasurer to the credit of the general fund.

Waiver of examination

Section 13. Any person who files his application within six months after the organization of the board, and is at the time of filing said application a public accountant and has practised as such for at least three years next preceding the date of his application, the last year of which has been in the state of Wyoming, shall file with his application proof of said facts. The board shall consider said proofs and such other evidence as may be procured, and if it be satisfied that the statement contained in said application and proofs are true, and that the applicant is of good moral character,

the board shall accept said proofs and evidence in lieu of an examination, and shall grant said applicant a certificate.

Section 14. Any citizen of the United States or person who has declared his intention of becoming such citizen, over twenty-one years of age, of good moral character, and who has complied with the rules and regulations of the board pertaining to such cases, and who holds a valid and unrevoked certificate as a certified public accountant, or the equivalent thereof, issued by or under the authority of any state of the United States, or of the United States, or the District of Columbia, or any territory of the United States, or by or under the authority of a foreign nation, when the board shall be satisfied that their standings and requirements for a certificate as a certified public accountant are substantially equivalent to those established by this act, may at the discretion of the board receive a certificate as a certified public accountant, and such person may thereafter practise as a certified public accountant or any abbreviation or abbreviations thereof, in the state of Wyoming; provided, however, that such other state or nation extend similar privilege to certified public accountants of the state of Wyoming.

Certificates
of other
states

Section 15. The governor of the state of Wyoming may revoke any such certificate for sufficient cause upon the recommendation of the board of examiners, who shall have given written notice to the holder thereof, and after he has had a hearing thereon.

Revocation
of
certificates

Section 16. If any person shall hold himself out as having received the certificate provided for in this act, or shall assume to practise thereunder as a certified public accountant, or use the initials C. P. A. without having received such certificate, or after the same shall have been revoked, he shall be deemed guilty of misdemeanor, and on conviction thereof shall be fined not less than fifty dollars and not exceeding two hundred dollars for each offense.

Violations
and penalties

Section 17. Nothing herein contained shall be construed to restrict or limit the power or authority of any state, county or municipal officer or appointee engaged in or upon the examination of the accounts of any public officer, his employees or appointees.

Public
accounts

Section 18. This act shall take effect and be in force from and after its passage.