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C. P. A. Bulletin, Vol. 3, No. 6-7, June-July 1, 1924

National Association of Certified Public Accountants

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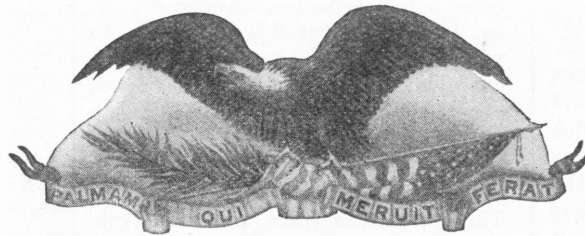
The C. P. A. Bulletin

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Vol. 3, No. 6-7

The National Association of Certified Public Accountants
945 Pennsylvania Ave., Washington, D. C.

June-July, 1924



CONVENTION NUMBER

Third Annual Meeting

National Association of Certified Public Accountants

This issue of the Bulletin has been held back until the official stenographic report of the Annual Meeting was completed and received, in order to carry news of the meeting to the members as quickly as possible.

In general the outstanding fact seems to be that the meeting was harmonious and progressive and much constructive good was accomplished.

What happened may be summarized as follows:

SUMMARY

Previous administration endorsed and William A. Owen (Kentucky) elected on the Board of Governors to replace Melville D. Thomas whose term expired.

Former Treasurer E. Long elected to succeed J. R. Hutchison as President, and William A. Owen elected to succeed Mr. Long as Treasurer.

New By-Laws adopted and these with a Code of Ethics will be published in an early issue of the C. P. A. Bulletin.

Members delinquent in dues urged to pay up or return certificates.

Draft of a National or Interstate Accountancy Law agreed upon and an effort will be made to secure passage when Congress convenes.

Mr. William M. Williams of New Jersey, in the chair throughout.

The meeting convened at 11:30 A. M. and adjourned at 10 P. M.

REPORT OF THE PRESIDENT OF THE NATIONAL ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

By J. R. Hutchison, President

It is with a great deal of satisfaction and pleasure that I greet you at this our third Annual Convention. Another year in the life of the Association has gone forever, and has passed into history. The Annual Meeting of the Association which marks the close of this fiscal year and the beginning of another is the natural point of rest and is the time for taking stock of the proceedings and transactions of the Association.

Courage In the Use of Talent

A great deal of talent is lost to the world for the want of a little courage. Every day sends to their graves a number of obscure men who have only remained obscure because their timidity has prevented them from making a first effort; and who, if they could only have been induced to begin, would in all probability have gone great lengths in the career of fame. The fact is, that in order to do anything in this world worth doing, we must not stand shivering on the bank and thinking of the cold and the danger, but jump in and scramble through as best we can. It will not do to be perpetually calculating risks and adjusting nice changes; it was all very well before the Flood when a man could consult his friends upon an intended publication for one hundred and fifty years and then live to see its success for six or seven centuries afterwards; but at present a man waits and doubts and hesitates and consults his brother and his uncle and his first cousins and his particular friends, until one fine day he finds he is sixty-five years of age, that he has lost so much time consulting his cousins and particular friends that he has no more time left to follow their advice. There is little time for over-squeamishness at present, the opportunity so easily slips away, the very period of life at which a man chooses to venture, if ever, is so confined, that it is no bad rule to preach up the necessity, in such instances, of a little violence done to the feelings, and of efforts made in defiance of strict and sober calculation.

With respect to that fastidiousness which disturbs the right conduct of the understanding, it must be observed that there are two modes of judging of anything; one by the test of what has actually been done in the same way before; the other by what we can conceive may be done in that way. Now, this latter method of mere imaginative excellence can hardly be a just criterion, because it may be, in fact, impossible to reduce to practice what it is perfectly easy to conceive; no man, before he has tried, can tell how difficult it is to manage prejudice, jealousy and delicacy and to overcome all that friction which the world opposes to speculation. Therefore, the fair practical rule seems to be to compare every exertion by all similar exertions which have preceded it, and to allow merit to any one who has improved, or, at least, who has not deteriorated the standard of excellence in some department of knowledge. Fastidious men are always judged by the other standard, and as the rest of the understanding cannot fill up in a century what the imagination can sketch out in a moment, they are always in a state of perpetual disappointment, and their conversation one uniform tenor of blame. At the same time that I say this, I beg leave to lift up both my hands against that pernicious facility of temper in the estimation of which everything is charming and delightful. Among the smaller duties of life, I hardly know anyone more important than that of not praising where praise is not due. Reputation is one of the prizes for which men contend. It is, as Mr. Burke calls it, "the cheap defense and ornament of nations, and the nurse of many exertions." It produces more labor and more talent than twice the wealth of a country could ever rear; it is the coin of genius, and it is the imperative duty of every man to bestow it with the most scrupulous justice and the wisest economy.

C. P. A. Laws

There have been many changes made in the State C. P. A. Laws during the past three years, but still with these changes we have 48 different C. P. A. Laws and all in conflict with one another. Your Association has been very successful in standardizing the designation C. P. A. The certificate selling corporation which claimed

it controlled 35 of the 48 C. P. A. Boards and that it was necessary to purchase a certificate or obligate yourself to purchase a certificate before the State C. P. A. degree would be granted. By the use of proper propaganda and a great deal of advertising and publicity the National Association succeeded in having the greater part of these 35 State Boards brought before the proper State Legislature and the power removed from the certificate selling corporation and given back to the proper State Boards. Class legislation in many of the States was proposed but through the proper influence of members of the National Association most of the State Legislatures were held in check and that no radical amendments were made to the State C. P. A. laws.

Interstate Accountancy

The profession of Accountancy is somewhat different from that of the profession of law, medicine or kindred subjects. The lawyer has his clientele and usually practices in the courts in his immediate vicinity. The doctor has his patients and they are usually confined to his locality. It is very seldom that a lawyer or doctor is required to go from one state to another to perform his professional duties. In accountancy we find the accountant auditing the books of most any large concern his duties will take him into several states. As the State C. P. A. Boards are very antagonistic to one another the accountant under the provisions of the C. P. A. Laws cannot perform his duties as a professional accountant without coming in contact with the various penalties in the different State C. P. A. Laws, therefore, your Association has at this time called together the leading professional accountants throughout the country to assemble here in Washington, D. C., and at this meeting for the purpose of drafting and adopting an Interstate Accountancy Bill, one that will create a universal standard for the practitioner and a bill that will take the control of accountancy out of the hands of the few who control the State Boards and place it in the hands of a National Board where the law will be regulated and justice will be meted out to all who apply for a certificate. An Interstate Accountancy Law should be so drafted that the professional accountant can go from one state to another and practice his profession without losing his

identity. The proposed accountancy bill should be so drafted that the examination for admission to the degree would be under the United States Civil Service Commission or a commission appointed by the Government so as to take the examining powers out of the hands of the few state politicians and place the examination under the supervision of the United States Civil Service Commission.

Bonded Accountants

The Code of Ethics adopted by the National Association have been followed out and in addition thereto there has been a Membership Obligation certificate issued in which the member agrees to surrender his certificate upon conviction of having made or caused to be made a false misleading or grossly negligent report or accounting. This obligation is further covered by a Bonded certificate in which the member is bonded in the sum of \$1,000.00 or higher amounts guaranteed by a Fidelity Company for the faithful performance of his duty. Under most of the State C. P. A. Laws a bond or an obligation certificate is not required and this matter has been brought to the attention of the different State C. P. A. Boards, also to many of the Governors of the States and especially to the business and financial men. Had the State C. P. A. Boards required a bond and an obligation certificate similar to that of the National Association a great many dollars would have been saved to the financial public as we find that it has been customary with many State certified accountants to make up certificates of accounting for the purpose of satisfying the client and for the purpose of preparing a statement so the client can sell his fictitious or worthless stock. Reports of many of these cases have been printed in the C. P. A. Bulletin.

Diploma Mills

Through the efforts of the members of the Association, a great many Diploma mills have been brought to light and many schools and associations whose principle objects have been for the purpose of selling degrees not only in accountancy but in medicine, law and many other subjects have been brought to the attention of the Congress of the United States, the various State Legislatures and judges of the courts, the result

has been that many of the promoters have been put out of business and sustained a heavy fine.

Growth of the National

The National Association has had a steady and continuous growth until it has now reached that number and state of stability that it is firmly established and is favorably known throughout the business world. Having served as President of this Association for the past three years I must leave the history of the Association stand on its own record. With these brief references to some of the activities which have engaged your President it becomes my duty to follow out the unwritten law of our country that the office of the President shall not be perpetual. This address is, therefore, not only the Annual Report of the President, but is also his farewell message to you. It was my pleasure to be one of the organizers of this Association and with the aid and support of the members it has been carried through to success. I wish to thank you for your loyal support, and predict that future success will go forward without interruption.

ANNUAL ADDRESS

By Mr. Wm. M. Williams

This is the second time that the opportunity of presiding at the Annual Meeting has been offered and the honor is appreciated highly.

The affairs of this Association have made history during the past year. The respective and respected officers of the Association, each will report to this meeting the statistical progress of the Association, hence the duty of recounting in a general way that which has transpired within the observation of your temporary chairman, falls to him.

The momentous occasion arose when an attempt was made in New York State to pass what might be characterized in its first endeavor as the most vicious piece of class legislation ever attempted. This action results very largely from the fact that various universities and colleges are grinding out as product so-called accountants and must make places for this output in the business world. Remember, please, that a graduate from a medical school must serve an apprenticeship to determine his fitness and practice. An embryo lawyer must serve at least three years in a

law office in most, if not all, of our States.

The "Accountancy Trust" which we term it in our own minds if not publicly, is endeavoring to foist on the public a lot of half-baked fledglings without practical experience and taught by men equally without practical experience. This has served to arouse the commercial and financial public where its attention has been drawn thereto but sufficient effort has not been made by our Association in the form of propaganda and publicity to arouse the public conscience to a state where further advances in this direction will be frustrated.

Governor Alfred E. Smith vetoed the McGinnies Bill which, in its final passage, was an arbitrary compromise and not as designed originally. His reasons for so doing are set forth in an article in the New York Times under date of May 2nd, and again in an article in the same newspaper under date of May 9th (published elsewhere).

You will perceive from these press notices just read that so eminent an authority as the Governor of the largest State in the Union from a standpoint of population agrees with our principles as thoroughly as though he were a member of our Association and fighting side by side with us in our efforts to carry the standard of experience and integrity into the business world as against the standard of academic requirements and inexperience; and, as we all know from our contact, very often a lack of integrity. The records in our Bulletin prove the correctness of the latter statement.

The occasion seems propitious to urge upon the members present and those who are unable to be with us today, the necessity not for an attack upon any other group or Association or individual but to carry to the public mind the principles and purposes of our Association in a thorough and painstaking manner that no misapprehension may be had in the mind of the business man when he employs a member of the National Association. This course may subject us to individual attack by those who believe that accountancy should be entrusted to the few who have set themselves up in the various States under statutory enactment as a close corporation. Right here permit the fact to be pointed out to you that while the C. P. A. legislation in the various States is constitutional the administration of the C. P. A. Law in practically every

State is unconstitutional. Get that distinction fixed in your minds and point it out to all of your clients and as many business and financial men as you can reach.

A further explanation may result in a better understanding of the foregoing remark. The Constitution of the United States prevents discrimination. It starts out with that provision. None of you has ever read a C. P. A. Law which makes provision for the requirements of an examination. These provisions are left in the hands of a Board of Examiners. This board then fixes an academic requirement for admission to an examination and this requirement is unconstitutional. That opinion is had from the best legal authority; and the law, or the administration of the law, can be broken down in every State on that point alone. An examination for the degree of Certified Public Accountant in any State must be open publicly to any man or woman who can pay the entrance fee and demand the privilege of examination. That is the constitutional privilege of every citizen of the United States and cannot be denied.

A requirement for a given number of years of experience prior to public practice is legal, but this stipulation may be made only after the applicant has been examined and has passed or it may be reversed and the term of service may be required of the applicant for examination, but an academic requirement is unconstitutional absolutely. Each member should bear this in mind and should fight against it just as strongly as our forefathers fought to put in the Constitution that "all men are created free and equal" and have the same rights and privileges under the law. The suggestion is offered at this time that this body make some effort at this meeting to inaugurate a systematic campaign whereby the aims and purposes of this Association will be broadcasted, not necessarily among our members, because they are understood thoroughly. This broadcasting should be to the business and financial world.

The Association is increasing in effectiveness if observation counts. Each of you no doubt has had the experience of bringing into it one or more members during the past year. This is not difficult. Many men of high attainments and proven responsibility in commercial life are desirous of joining with us in our effort to elevate accountancy to the point which we believe it should attain.

Time is the authority to which we must bow. The desire to say more to you must be put aside because others have a like impulse and fairness to all demands that one of us shall not use up the time of this meeting bringing before you his thoughts

upon a subject which is so dear to the accountants and all of us.

Good luck to each and every one of you. Work together, pull together, stand together, fight together and we will all be together in the end and we will get somewhere.

SECRETARY'S REPORT

The Third Annual Convention of the National Association of Certified Public Accountants finds us with a net membership of 3261 members.

Enrollment: June 3, 1921 to May 31, 1922.....	3022
" 1, 1922 to " 31, 1923.....	285
" 1, 1923 to " 31, 1924.....	55
Total enrollment	3362
Less resignations and cancellations:	
June 3, 1921 to May 31, 1922.....	32
" 1, 1922 to " 31, 1923.....	37
" 1, 1923 to " 31, 1924.....	15
By death:	
June 1, 1921 to May 31, 1923.....	11
" 1, 1923 to " 31, 1924.....	6
Leaving our net membership.....	3261

Those claimed by the hand of death since our last convention are:

Walter Burdett Butler, Albany, N. Y.
 Charles Katz, New York City, N. Y.
 Samuel G. Skelton, Washington, D. C.
 John R. Humphries, Chattanooga, Tenn.
 Harry J. Moller, Newark, N. J.
 E. J. Dean, Dallas, Texas.

There has been no vacancies or changes in the Association's Officers the past year yet we are called to elect at this time 5 Governors, including 1 Governor for three years and 4 Governors for one year.

The retiring Governors are:

Mr. J. R. Hutchison, President.
 Mr. C. P. Timmons, Secretary.
 Mr. E. Long, Treasurer.
 M. D. Thomas, Director.
 Wm. M. Williams, Director.

Governors holding over this year are:

Mr. L. J. Adams, 1st Vice-President, 1 year.
 Mr. D. R. Hutchison, 2nd Vice-President, 2 years.

I would recommend that the fee of \$25.00 cover the membership certificate in full, also the premium on the Bond card and subscription to the C. P. A. Bulletin for the balance of the calendar year in which the applicant subscribes.

All receipts received have been turned over to the Treasurer. An itemized statement of receipts will be furnished your Auditing Committee.

A new Code of By-Laws have been prepared and are herewith submitted for your consideration and approval.

I have given serious thought to the outlining and preparation of a Code of Ethics for the guidance of members of this Association. Suggestions and recommendations are invited from each member and it is hoped that this convention will be able to establish a Code of Ethics that will be satisfactory to all the members.

A membership plan should be outlined at this convention to increase our membership roll, yet at the same time to maintain our high standard of requirements.

Respectfully submitted,

C. P. TIMMONS, Secretary.

MR. W. A. OWEN, TREASURER

Mr. Wm. A. Owen of Kentucky was elected to the Board of Governors and that body selected him from among their number to fill the office of Treasurer, succeeding Mr. Long who was elected President.

Your new Treasurer was among the first to join the National Association and has followed the profession of public accounting for several years and is well equipped by reason of education and business experience to fill the important office to which he has been elected in this Association.

HOW IT CAN BE DONE

By John O. Berkley

The Literary Digest of March 29th this year contains a very meritorious editorial entitled: "To Make Income Tax Paying Easier." It suggests four very effective ways by which an improvement in the Federal tax laws might be brought about. The first one suggests that vast improvement of conditions could be established by the employment of an abler class of auditors and by surrounding them with restrictions which would prevent employees from leaving the service and engaging in the tax expert business after they had learned the intricate work of the bureau and paying salaries commensurate with service of an equal character in the business world. There is some merit to this suggestion, if it can be made to work in all fairness to all parties concerned. We can imagine the situation in Congress when such a proposition might be made, especially among the lawyers in Congress who practice more or less while they are in office and immediately after their term expires. Oh! Boy, what whooping big salaries some of the expert legislators do get after they have learned the ropes.

The second suggestion, which provides for the creation of a Board of Appeal outside of the Bureau of Internal Revenue that would hear cases on appeal and make final determination, is worthy of special consideration. No time should be lost when this matter is brought to the attention of Congress to bring this about. If the proper men are selected for this important work, the Bureau will be relieved of much harassing difficulty. These men should be selected from the world of business men whose mature judgment can be depended upon to see every side of an issue.

In the third suggestion for improvement there is involved a big problem of government affecting not only the administration of our Federal tax laws but many other governmental problems. We quote the following:

"It is highly essential that some scheme of administrative decentralization be adopted. Decentralization would result in bringing local agents to the taxpayer, and would make available substantially without cost or delay such information as is necessary from time to time for the auditing of returns and the settlement of cases."

In the above suggestion the writer heartily agrees. Governor Albert Ritchie of Maryland, in a recent public address, made the assertion that no problem before the American people is of more importance at this time than the problem of how to bring about a decentralization of government authority. President Coolidge, in an address before the Convention of the D. A. R., on April 17th, made a special appeal for maintaining the sovereignty of the several States. The mention of the utterances of these two distinguished gentlemen is only given to show the general trend of thought.

The fourth suggested improvement is along the line of making public all interpretations of income tax rulings. Is it not time that the attitude of the government should be shown as protector of the interests of the taxpayer and the citizen generally instead of setting up a situation that causes fear and many times distress and distrust? The principle in governmental affairs of making law and providing its interpretation before application will solve many of the problems of salaries, high-priced experts and efficiency of service.

All of the above suggestions have much of merit in them, as far as the present and previous laws are concerned, but they do not cover all phases of the situation.

One situation which recently aroused much controversy in Congress is the method of accounting in several branches of the Income Tax Bureau, notably so in connection with the Branch of Natural Resources. The method of setting up reserves for depletion and depreciation, etc., is not only complex and confusing but of very doubtful necessity as far as income tax purposes are concerned. The writer is of the opinion that a simple

process of arriving at a statement of quantity production and its costs would reflect the taxable income perhaps even more accurately than the present plan for the producer. A more simplified form of requiring the prospector and promoter to account for their activities is not difficult to arrange. The rather loose laws governing the conduct of these latter gentlemen is antiquated and discriminating, even to the point of unfairness to the legitimate producer.

IMPORTANT NOTICE

The National Association is a membership corporation and your certificate of membership is in force only so long as you are a member in good standing. You cannot hold yourself out as a certified member of the Association unless you maintain your membership in the Association.

Membership dues for the calendar year 1924 are due and payable and if you have not already done so, kindly make out your check for the sum of \$10.00 now, before you forget it, and mail to the Treasurer of the National Association at Washington, D. C.

Payment of dues brings your pocket identification card which identifies you as a member in good standing and may eliminate complications.

Some of our good members have not yet paid their dues and to these your newly elected officers make this special appeal.

**AN EXPERIENCED ACCOUNTANT
DESIRES A POSITION**

A member of the National Association, of wide and successful professional accounting experience, desires to negotiate with accounting firms looking toward securing a position as senior accountant, leading to a membership of the firm, or as executive accountant in a commercial or manufacturing concern.—Box B, care C. P. A. Bulletin.

ACCOUNTANT WANTED

Large corporation desires services of an accountant with executive ability to take charge of and manage office.

Exceptional opportunity to right man.

Address Box A, care C. P. A. Bulletin, 945 Pennsylvania Avenue, room 43, Washington, D. C.

LICENSE BILL VETO LIKELY

Governor Deplores Increasing Efforts to Keep Aspirants Out of Professions By State Laws. Fears "Tightening Up" College Education Necessary For Truckmen Next, He Says, In Criticising Increasing Requirements.

(Special to the New York Times.)

ALBANY, May 2.—A demonstration in favor of Governor Smith's election to the Presidency marked a public hearing held before him this afternoon on the McGinnies bill which would compel the licensing of all accountants by the State. The Governor indicated that he would veto the measure.

During the debate on the measure the opposition argued that its enactment would force many accountants to lose their jobs.

"Why, Governor," said Herman Goldsmith of New York, "you will be out of a job yourself from Jan. 1 to March 4."

This brought prolonged applause from the several hundred accountants who completely filled the executive chamber. Just as the applause was beginning to subside some one shouted:

"Yes, you are going to get a better job." Then the applause started all over again. The Governor smiled broadly.

The measure was attacked by public accountants and defended by certified public accountants. Patrick J. McGrath speaking for the New York Society of Accountants, contended there was no demand and no necessity for the measure and that the present law was sufficient. Dr. Augustus S. Downing, Assistant Commissioner of Education, and Charles P. Robinson, counsel for the New York Society of Certified Public Accountants, made the principle arguments for bill. Dr. Downing contended the measure was in the interest of the public and would give to young men who wanted to become accountants a chance to compete with those now in the profession.

After hearing the arguments the Governor said:

"The trouble with all this is that when the tightening up process is commenced the young man who wants to be a public accountant finds himself in exactly the position that a young man finds himself today who wants to be a lawyer. There always seems to be some movement to try

to keep people out of a profession. It is one thing to exact a certain educational standard, but it is an entirely different thing to make a man wait, by rule and regulation, four or five years before he can accomplish his objective. Time was when a person was allowed to go to school in the daytime and study law at night.

"This bill may look all right today, but in a few years they will begin to tighten up a little more and the result will be that no young man will be able to get into a profession unless his people are able to keep him until he is twenty-four or twenty-five years old. One thing about this bill that makes me hesitate is the fear of what is going to come hereafter. It may be all right with the doctors. The practice of medicine is an entirely different thing. That is a science.

"But I don't think the public is entitled to have as much protection when they hire a lawyer as they are when they hire a doctor, because the law is founded on common sense, and if some very good lawyers in years gone by had had to know that the homologous sides of a triangle were the same as the other side of it—they never would have been lawyers. The public is, in all probability, entitled to have less protection when they hire a man to figure their books of account. It is a question of ability and integrity. Integrity is a large part of it.

"The first thing we know, a fellow cannot be a truckman until he can show by a college education that he isn't going to break the truck or lose the goods. Make requirements as strong and as high as you like, and let everybody come up to them. If a man wants extraordinary protection, let him hire certified public accountants. If I wanted to have a little bit of work done by a man and was satisfied he could do it, I would not be so particular about his early education or whether he got it in a college or anywhere else. That runs to the principle involved in this whole question of State regulation of this profession.

"I can name five men I have had around me, both in business and public life, whom I would trust with the accounts of this State. Some of our clerks in the controller's office, by actual practice, by hard experience, are better able to figure up the accounts of this State than some public accountants, because when the

public accountants are finished with the technical names and terms they put into it, nobody but themselves understands it.

"My dilemma with a bill of this kind is that I am rather opposed to this whole question of exaction by the State of so much preliminary education. Apply it to assemblymen and senators—or governors—and you wouldn't get a place."

VETOES ACCOUNTANCY BILL

Governor Opposed to State Licensing of Profession

(Special to the New York Times.)

ALBANY, N. Y., May 9.—Governor Smith vetoed today the McGinnies Bill, which would have required that every public accountant be licensed by the State. The measure was supported by the certified public accountants and opposed by the ordinary accountants. In his veto memorandum the Governor wrote:

"As the law now stands, persons other than certified public accountants are permitted to follow the business of public accountancy. While the bill, on its face, appears to be liberal to the men following the business of public accountancy, but who are not certified public accountants, by permitting them to come in under the law by the 1st of January, 1925, provided they have had three years experience in the practice of accountancy, it nevertheless sets up accountancy in its entirety as a profession from which young men and women in the future will be excluded unless they either qualify in a Regents' examination or submit evidence satisfactory to the Accountancy Board of their possession of academic and professional qualifications for the practice of public accountancy.

"A great many business houses, under a misapprehension undoubtedly, have written to me about the protection which they believe should be accorded to business in the retaining of accountants. No law is required, that I am able to see, to give such protection. The letters 'C. P. A.' after a man's name indicate that he has met the standards fixed by the State, but certainly there are other accountants who have met those standards but who do not seek to be certified public accountants.

"I am opposed to the whole question of narrowing the profession in our State to men who can submit to some board or commission academic

**A PROPOSED ACCOUNTANCY BILL WHICH WOULD ALLOW
ACCOUNTANTS TO PASS FROM ONE STATE TO ANOTHER
IN PERFORMING THEIR ACCOUNTING DUTIES**

To Regulate Accountancy Between the Several States

An Act to create an Interstate Accountancy Board, and prescribe its duties and powers; to provide for the granting of certificates (or licenses) to accountants who qualify under the provisions of this Act, and the revocation of same, and to provide a penalty for the violation of this Act.

Section 1. Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled: That there is hereby established an Interstate Board of Accountancy, to be known hereafter as National Accountants, under the direct supervision of the United States Civil Service Commission of the United States of America.

Section 2. Be it further enacted: That the United States Civil Service Commission shall be the Examining Board. That examinations of persons applying for certificates under this Act shall be held at least once a year or oftener, at the discretion of the Examining Board. The subjects in which applicants shall be examined are: (1) Theory of accounts; (2) practical accounting; (3) auditing; (4) commercial law, as affecting accountancy.

Section 3. Be it further enacted: That any person who has received from the Civil Service Commission, a certificate of his qualifications to practice as an accountant, shall be known and styled as a "Certified Interstate Accountant," and no other person shall assume such title of Certified Interstate Accountant or any other words, letters or abbreviations tending to indicate that the person, firm, or corporation using the same, is a Certified Interstate Accountant.

Section 4. Be it further enacted: That the United States Civil Service Commission shall grant a certificate to (1) any citizen of the United States or its provinces, being over the age of twenty-one, and (2) of good moral character, (3) a graduate of a high school with a standard course, or who has had an equivalent education, or (4) who has had three years practical experience in a public accountant's office or who has had, in the opinion of the Commission, sufficient experience in accounting and (5) shall have satisfactorily passed the required examination.

Section 5. Be it further enacted: That the United States Civil Service Commission shall waive the examination and issue a certificate as Certified Interstate Accountant to any citizen of good moral character who has been practicing as a public accountant in the United States or its provinces for more than three consecutive years next preceding the passage of this Act, and who shall apply in writing to this Commission for such certificate within six months after the passage of this Act.

Section 6. Be it further enacted: That the United States Civil Service Commission may revoke any certificate issued under this Act for sufficient cause, provided that notice of the cause for such contemplated action and the date of the hearing thereon by the Commission shall have been mailed to the holder of such certificate at his or her registered address at least sixty days before such hearing. No certificate issued under this Act shall be revoked until the Commission shall have held such hearing, but the nonappearance of the holder of any certificate, after notice as herein provided, shall not prevent such hearing.

Section 7. Be it further enacted: That the Commission shall charge for the examinations, together with certificates to successful applicants, provided for in this Act, a fee of \$25.00. This fee shall be payable by the applicant at the time of making his or her initial application. The fee shall be covered into the Treasury of the United States to the credit of the General Fund of the United States Civil Service Commission.

Section 8. Be it further enacted: That every person having been granted a certificate under the provisions of this Act shall file a bond in the sum of \$5,000 with the United States Treasurer before entering upon his duties, for

qualifications. At the hearing on this particular bill I took occasion to say that, aside from the practice of medicine and dentistry, we were too exacting in requirements in many of the professions. The people are entitled to the very limit of protection in the case of doctors. The study of medicine is a science. There is, however, no occasion for the stringent rules and regulations now in force for the admission to the bar.

"By this bill we are setting up another profession and closing the door to a great many competent men and women who could follow the calling of accountancy. All of these things start in a liberal way, but after they get started there is always a move on foot to tighten them up so that the profession may be narrowed down to the few.

"The present law give us ample protection by setting up a professional class of accountants, but leaves the field open for other people, probably equally competent, but not admitted to the profession."

ANNOUNCEMENTS

A. C. Swis announces the removal of his offices to 713-714 Petroleum Building, where he will continue the general practice of Accountancy, Audits, Systems, Federal and State Income Tax Returns, etc.

Erich W. Kath & Company, Management and Production Engineers, Accountants, Cost Accountants, announce the removal of their office to 516 Hippodrome Building, Cleveland, Ohio.

Lippman Lewis, tax consultant, public accountant, Knickerbocker Building, 152 West 42nd street, New York, wishes to announce that he has severed his connections with the income tax unit of the Bureau of Internal Revenue as field examiner and internal revenue agent, to resume the general practice of public accounting, specializing in income tax matters. Telephone Bryant 10305.

The following professional accountants recently visited National Headquarters:

Ernest E. du Belier, New York City.

L. B. Cocke, Memphis, Tenn.

Chas. H. Gibson, St. Croix, Virgin Islands.

Edwin E. Jones, Chicago, Ill.

James H. Hackney, St. Petersburg, Fla.

the faithful performance of the same.

Section 9. Be it further enacted: (a) If any person shall illegally hold himself out as having received the certificate of Interstate Accountancy, or shall assume to practice thereunder as an Interstate Accountant, or use any such initials 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 \$25.00 nor more than \$200.00 or be imprisoned for not less than one day nor more than one year, or both, in the discretion of the court.

(b) Should any person holding the certificate of Interstate Accountancy be convicted of gross negligence or of wilfully falsifying a report or accounting, he shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not less than \$100 nor more than \$1000 or be imprisoned for not less than thirty days nor more than one year or both, in the discretion of the court, for each such offense.

Section 10. Be it further enacted: (a) That any person who shall by himself or in co-operation with another defeat, deceive or obstruct any other person in the matter of his right of examination by the Commission, or who shall falsely rate, grade, estimate or report upon the examination or standing of any person examined by the Commission, or shall aid in so doing, or shall make any false representations 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 dollars or by imprisonment, or both.

(b) Any person that shall impersonate any other person or permit or aid in any manner any other person to impersonate 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 aid in so doing, shall be subject to the same penalty as in the preceding paragraph provided.

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Herman Stratman, Pittsburgh, Pa.
Henry Jacobs, New Orleans, La.
Edward D. Ginsberg, New York City, N. Y.
P. W. Oliver, Toledo, Ohio.
Ira C. Fisher, Flint, Mich.
A. Caditz, Boston, Mass.
J. F. Collier, Dallas, Texas.
E. T. Duff, Dallas, Texas.
John T. Goodson, Washington, D. C.
James Stewart Ball, Washington, D. C.
William M. Williams, Highbridge, N. J.
W. J. Bienemann, Baltimore, Md.
Bernard E. Gilbert, Philadelphia, Pa.
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