

# Title 4 WAC

## ACCOUNTANCY, BOARD OF

**Chapters  
4-25**

**General provisions.**

**DISPOSITION OF CHAPTERS FORMERLY  
CODIFIED IN THIS TITLE**

**Chapter 4-04  
GENERAL PROVISIONS**

4-04-010 Construction of "date of passage of the act." [Regulation 04.010, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-020 Use of titles relating to accountancy. [Regulation 04.020, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-030 Annual notice to renew an annual permit. [Regulation 04.030, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-040 Registration limited to individuals and partnerships—Assumed name prohibited. [Regulation 04.040, effective 2/5/60.] Repealed by 79-06-024 (Order PL 303), filed 5/15/79. Statutory Authority: RCW 18.04.070.

4-04-050 Temporary practice by out-of-state accountants. [Regulation 04.110, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-060 Resident manager of public accounting office. [Regulation 04.130, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-070 Professional service corporations—Notification requirements. [Order PL-116, § 4-04-070, filed 12/14/71.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.

4-04-080 Professional service corporations designation. [Order PL-116, § 4-04-080, filed 12/14/71.] Repealed by 79-06-024 (Order PL 303), filed 5/15/79. Statutory Authority: RCW 18.04.070.

4-04-170 Educational and experience requirements. [Order 234, § 4-04-170, filed 12/17/75; Order, § 4-04-170, filed 7/15/69.] Repealed by 79-06-024 (Order PL 303), filed 5/15/79. Statutory Authority: RCW 18.04.070.

4-04-180 Reexamination requirements. [Order PL-188, § 4-04-180, filed 5/8/75; Order, § 4-04-180, filed 7/15/69.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-190 Time of examination. [Statutory Authority: RCW 18.04.070. 80-05-033 (Order PL-341), § 4-04-190, filed 4/15/80; Order, § 4-04-190, filed 7/15/69.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-200 Fees for CPA examination. [Order PL-230, § 4-04-200, filed 11/17/75.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.

4-04-210 Fees for permit to practice accounting. [Statutory Authority: RCW 18.04.070. 79-06-024 (Order PL 303), § 4-04-210, filed 5/15/79; Order PL-230, § 4-04-210, filed 11/17/75.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-220 Fee for registration as CPA partnership or PS. [Order PL-230, § 4-04-220, filed 11/17/75.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-230 Annual license fee for CPA partnership or PS. [Order PL-230, § 4-04-230, filed 11/17/75.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-240 Annual fee for LPA license. [Order PL-230, § 4-04-240, filed 11/17/75.] Repealed by 79-06-024 (Order PL 303), filed 5/15/79. Statutory Authority: RCW 18.04.070.

4-04-250 Fee for registration of LPA partnership or PS. [Order PL-230, § 4-04-250, filed 11/17/75.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-260 Annual license fee for LPA partnership or PS. [Order PL-230, § 4-04-260, filed 11/17/75.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-270 Annual fee for PA license. [Order PL-230, § 4-04-270, filed 11/17/75.] Repealed by 79-06-024 (Order PL 303), filed 5/15/79. Statutory Authority: RCW 18.04.070.

4-04-280 Fee for registration of PA partnership or PS. [Order PL-230, § 4-04-280, filed 11/17/75.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-290 Annual license fee for public accountant partnerships or PS. [Order PL-230, § 4-04-290, filed 11/17/75.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-300 Educational requirements. [Statutory Authority: RCW 18.04.070. 80-02-140 (Order PL-320), § 4-04-300, filed 2/4/80.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-04-310 License requirements for public accounting partnerships or professional service corporations. [Statutory Authority: RCW 18.04.070. 80-02-140 (Order PL-320), § 4-04-310, filed 2/4/80.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

**Chapter 4-08  
PRACTICE AND PROCEDURE**

4-08-010 Appearance and practice before agency—Who may appear. [Regulation 08.010, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.

4-08-030 Appearance and practice before agency—Solicitation of business unethical. [Regulation 08.030, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.

4-08-040 Appearance and practice before agency—Standards of ethical conduct. [Regulation 08.040, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.

4-08-050 Appearance and practice before agency—Appearance by former employee of board or former member of attorney general's staff. [Regulation 08.050, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.

4-08-060 Appearance and practice before agency—Former employee as expert witness. [Regulation 08.060, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.

4-08-070 Computation of time. [Regulation 08.070, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.

4-08-080 Notice and opportunity for hearing in contested cases. [Regulation 08.080, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.

4-08-090 Service of process—By whom served. [Regulation 08.090, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.

4-08-100 Service of process—Upon whom served. [Regulation 08.100, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.

4-08-110 Service of process—Service upon parties. [Regulation 08.110, effective 2/5/60.] Repealed by 88-22-056

	(Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.		Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-120	Service of process—Method of service. [Regulation 08.120, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-320	Depositions and interrogatories in contested cases—Fees of officers and deponents. [Regulation 08.320, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.-055.
4-08-130	Service of process—When service complete. [Regulation 08.130, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-330	Depositions upon interrogatories—Submission of interrogatories. [Regulation 08.330, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-140	Service of process—Filing with agency. [Regulation 08.140, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-340	Depositions upon interrogatories—Interrogation. [Regulation 08.340, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-150	Subpoenas, where provided by law—Form. [Regulation 08.150, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-350	Depositions upon interrogatories—Attestation and return. [Regulation 08.350, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-160	Subpoenas, where provided by law—Issuance to parties. [Regulation 08.160, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-360	Depositions upon interrogatories—Provisions of the deposition rule. [Regulation 08.360, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-170	Subpoenas, where provided by law—Service. [Regulation 08.170, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-370	Official notice—Matters of law. [Regulation 08.370, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.-055.
4-08-180	Subpoenas, where provided by law—Fees. [Regulation 08.180, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-380	Material facts. [Regulation 08.380, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-190	Subpoenas, where provided by law—Proof of service. [Regulation 08.190, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-390	Presumptions. [Regulation 08.390, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-200	Subpoenas, where provided by law—Quashing. [Regulation 08.200, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-400	Stipulations and admissions of record. [Regulation 08.400, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-210	Subpoenas, where provided by law—Enforcement. [Regulation 08.210, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-410	Form and content of decisions in contested cases. [Regulation 08.410, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-220	Subpoenas, where provided by law—Geographical scope. [Regulation 08.220, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-420	Definition of issues before hearing. [Regulation 08.420, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.-055.
4-08-230	Depositions and interrogatories in contested cases—Right to take. [Regulation 08.230, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-430	Prehearing conferences—Authorized. [Regulation 08.430, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-240	Depositions and interrogatories in contested cases—Scope. [Regulation 08.240, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-440	Prehearing conferences—Record of conference action. [Regulation 08.440, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-250	Depositions and interrogatories in contested cases—Officer before whom taken. [Regulation 08.250, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-450	Submission of documentary evidence in advance. [Regulation 08.450, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-260	Depositions and interrogatories in contested cases—Authorization. [Regulation 08.260, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-460	Excerpts from documentary evidence. [Regulation 08.460, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-270	Depositions and interrogatories in contested cases—Protection of parties and deponents. [Regulation 08.270, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.-055.	4-08-470	Expert or opinion testimony and testimony based on economic and statistical data—Number and qualifications of witnesses. [Regulation 08.470, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-280	Depositions and interrogatories in contested cases—Oral examination and cross-examination. [Regulation 08.280, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-480	Expert or opinion testimony and testimony based on economic and statistical data—Written sworn statements. [Regulation 08.480, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-290	Depositions and interrogatories in contested cases—Recordation. [Regulation 08.290, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-08-490	Expert or opinion testimony and testimony based on economic and statistical data—Supporting data. [Regulation 08.490, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.
4-08-300	Depositions and interrogatories in contested cases—Signing attestation and return. [Regulation 08.300, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.-055.	4-08-500	Expert or opinion testimony and testimony based on economic and statistical data—Effect of noncompliance with WAC 4-08-470 or 4-08-480. [Regulation 08.500, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.-055.
4-08-310	Depositions and interrogatories in contested cases—Use and effect. [Regulation 08.310, effective 2/5/60.]		

4-08-510	Continuances. [Regulation 08.510, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-12-160	Minimum accounting experience. [Order, § 4-12-160, filed 7/15/69. Formerly: Order 9, § 4-12-100, filed 8/23/68, effective 9/1/69.] Repealed by 79-06-024 (Order PL 303), filed 5/15/79. Statutory Authority: RCW 18.04.070.
4-08-520	Rules of evidence—Admissibility criteria. [Regulation 08.520, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-12-170	Applicants for initial permits to practice public accounting. [Statutory Authority: RCW 18.04.070. 79-06-024 (Order PL 303), § 4-12-170, filed 5/15/79.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-08-530	Tentative admission—Exclusion—Discontinuing cumulative evidence—Objections. [Regulation 08.530, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04-055.	4-12-180	Renewal of permits to practice public accounting. [Statutory Authority: RCW 18.04.070. 79-06-024 (Order PL 303), § 4-12-180, filed 5/15/79.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-08-540	Petitions for rule making, amendment or repeal—Who may petition. [Regulation 08.540, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.	4-12-190	Applicants for permits to practice public accounting from other status. [Statutory Authority: RCW 18.04-070. 79-06-024 (Order PL 303), § 4-12-190, filed 5/15/79.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-08-550	Petitions for rule making, amendment or repeal—Requisites. [Regulation 08.550, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.		
4-08-560	Petitions for rule making, amendment or repeal—Agency must consider. [Regulation 08.560, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.		
4-08-570	Petitions for rule making, amendment or repeal—Notice of disposition. [Regulation 08.570, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.		
4-08-580	Declaratory rulings. [Regulation 08.580, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.		
4-08-590	Forms. [Regulation 08.590, effective 2/5/60.] Repealed by 88-22-056 (Order ACB-158), filed 11/1/88. Statutory Authority: RCW 18.04.055.		
	<b>Chapter 4-12</b>		
	<b>QUALIFICATIONS AND EXAMINATION OF CANDIDATES FOR CERTIFIED PUBLIC ACCOUNTANT</b>		<b>Chapter 4-16</b>
			<b>RULES OF PROFESSIONAL CONDUCT OF CERTIFIED PUBLIC ACCOUNTANTS, LICENSED PUBLIC ACCOUNTANTS AND PUBLIC ACCOUNTANTS</b>
4-12-010	Examinations, times and places. [Regulation 04.050, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.	4-16-010	Preamble. [Rule 04.500, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
4-12-020	Applications for examinations. [Statutory Authority: RCW 18.04.070. 79-06-024 (Order PL 303), § 4-12-020, filed 5/15/79; Order PL-116, § 4-12-020, filed 12/14/71; Regulation 04.060, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.	4-16-015	Integrity and dignity in the profession. [Rule 04.501, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
4-12-030	Examination specified in RCW 18.04.120(5) means examination by the board. [Regulation 04.070, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.	4-16-020	Conformance to laws, rules, and regulations. [Rule 04.502, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
4-12-040	Construction of RCW 18.04.120 (6)(b) as to graduation from established resident school of business or accounting. [Regulation 04.140, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.	4-16-025	Independence. [Rule 04.503, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
4-12-050	Construction of RCW 18.04.120 (6)(c) as to equivalent education. [Regulation 04.080, effective 2/5/60.] Repealed by 79-06-024 (Order PL 303), filed 5/15/79. Statutory Authority: RCW 18.04.070.	4-16-030	Confidential relationship. [Rule 04.504, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
4-12-060	Construction of RCW 18.04.120 as to graduate of college or university. [Regulation 04.100, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.	4-16-035	Contingent fee. [Rule 04.505, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
4-12-070	Construction of RCW 18.04.170 as to college enrollment. [Regulation 04.120, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.	4-16-050	Expressing opinions. [Rule 04.601, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
4-12-080	Credit for parts of examination passed. [Regulation 04.150, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.	4-16-055	Use of name with estimate of earnings. [Rule 04.602, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
4-12-090	Giving or receiving aid at examination. [Regulation 04.090, effective 2/5/60.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.	4-16-070	Advertising. [Rule 04.701, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
4-12-100	Minimum accounting experience. [Order 9, § 4-12-100, filed 8/23/68, effective 9/1/69.] Amended by Order, filed 7/15/69 as § 4-12-160. See WAC 4-12-160.	4-16-075	Solicitation. [Rule 04.702, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
4-12-110	Equivalent examination. [Statutory Authority: RCW 18.04.070. 80-02-140 (Order PL-320), § 4-12-110, filed 2/4/80.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.	4-16-080	Competitive bidding. [Rule 04.703, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
		4-16-085	Fee splitting and commissions. [Rule 04.704, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
		4-16-100	Use of name by others. [Rule 04.801, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
		4-16-105	Employees' services. [Rule 04.802, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
		4-16-110	Incompatible occupation. [Rule 04.803, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
		4-16-115	Simultaneous practice of other occupations. [Rule 04.804, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
		4-16-125	Encroachment. [Rule 04.901, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
		4-16-130	Engagements referred by another. [Rule 04.902, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
		4-16-135	Offers to another's employees. [Rule 04.903, filed 5/22/62.] Repealed by Order PL 174, filed 9/24/74.
		4-16-200	Definitions. [Order PL 174, § 4-16-200, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.
		4-16-205	Applicability of rules. [Order PL 174, § 4-16-205, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.
		4-16-210	Independence—Rule 101. [Order PL 174, § 4-16-210, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.
		4-16-215	Integrity and objectivity—Rule 102. [Order PL 174, § 4-16-215, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.
		4-16-220	Competence—Rule 201. [Order PL 174, § 4-16-220, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.
		4-16-225	Auditing standards—Rule 202. [Order PL 174, § 4-16-225, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.

4-16-230	Accounting principles—Rule 203. [Order PL 174, § 4-16-230, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.		12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-16-235	Forecasts—Rule 204. [Order PL 174, § 4-16-235, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.	4-16-385	Rule 402—Acting through others. [Order PL-280, § 4-16-385, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-16-240	Confidential client information—Rule 301. [Order PL 174, § 4-16-240, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.	4-16-390	Rule 403—Advertising. [Order PL-280, § 4-16-390, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.
4-16-245	Contingent fees—Rule 302. [Order PL 174, § 4-16-245, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.	4-16-395	Rule 404—Solicitation. [Order PL-280, § 4-16-395, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.
4-16-250	Encroachment—Rule 401. [Order PL 174, § 4-16-250, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.	4-16-400	Rule 405—Form of practice. [Order PL-280, § 4-16-400, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-16-255	Offers of employment—Rule 402. [Order PL 174, § 4-16-255, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.	4-16-405	Rule 406—Firm names. [Order PL-280, § 4-16-405, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.
4-16-260	Acts discreditable—Rule 501. [Order PL 174, § 4-16-260, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.	4-16-410	Rule 407—Communications. [Order PL-280, § 4-16-410, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-16-265	Solicitation and advertising—Rule 502. [Order PL 174, § 4-16-265, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.		
4-16-270	Commissions—Rule 503. [Order PL 174, § 4-16-270, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.		
4-16-275	Incompatible occupations—Rule 504. [Order PL 174, § 4-16-275, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.		
4-16-280	Form or practice and name—Rule 505. [Order PL 174, § 4-16-280, filed 9/24/74.] Repealed by Order PL-280, filed 12/29/77.		
4-16-300	Preamble. [Order PL-280, § 4-16-300, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.		
4-16-310	Definitions. [Order PL-280, § 4-16-310, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.		
4-16-320	Rule 101—Independence. [Order PL-280, § 4-16-320, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.		
4-16-325	Rule 102—Integrity and objectivity. [Order PL-280, § 4-16-325, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.		
4-16-330	Rule 103—Commissions. [Order PL-280, § 4-16-330, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.		
4-16-335	Rule 104—Contingent fees. [Order PL-280, § 4-16-335, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.		
4-16-340	Rule 105—Incompatible occupations. [Order PL-280, § 4-16-340, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.		
4-16-345	Rule 201—Competence. [Order PL-280, § 4-16-345, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.		
4-16-350	Rule 202—Auditing standards. [Order PL-280, § 4-16-350, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.		
4-16-355	Rule 203—Accounting principles. [Order PL-280, § 4-16-355, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.		
4-16-360	Rule 204—Forecasts. [Order PL-280, § 4-16-360, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.		
4-16-370	Rule 301—Confidential client information. [Order PL-280, § 4-16-370, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.		
4-16-375	Rule 302—Records. [Order PL-280, § 4-16-375, filed 12/29/77.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.		
4-16-380	Rule 401—Discreditable acts. [Order PL-280, § 4-16-380, filed 12/29/77.] Repealed by 91-01-057, filed		

## Chapter 4-20

## ACCOUNTANCY CONTINUING EDUCATION RULES

4-20-010	Citation of rules and purpose. [Order PL-148, § 4-20-010, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-20-020	Basic requirements—Amount. [Statutory Authority: RCW 18.04.070, 83-09-049 (Order PL 432), § 4-20-020, filed 4/20/83; 79-06-024 (Order PL 303), § 4-20-020, filed 5/15/79; Order PL-148, § 4-20-020, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-20-030	Basic requirements—Effective date of requirement. [Statutory Authority: RCW 18.04.070, 79-06-024 (Order PL 303), § 4-20-030, filed 5/15/79; Order 233, § 4-20-030, filed 12/17/75; Order PL-148, § 4-20-030, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.-055.
4-20-040	Basic requirements—Exceptions. [Order PL-148, § 4-20-040, filed 9/25/73.] Repealed by Order PL-175, filed 9/24/74. Later promulgation, see WAC 4-20-045.
4-20-045	Basic requirements—Exceptions. [Statutory Authority: RCW 18.04.070, 79-06-024 (Order PL 303), § 4-20-045, filed 5/15/79; Order PL-175, § 4-20-045, filed 9/24/74. Formerly Order PL-148, WAC 4-20-040, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-20-100	Qualification of program—Primary consideration. [Order PL-148, § 4-20-100, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-20-110	Qualification of program—Basic requirements. [Order PL-148, § 4-20-110, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-20-120	Qualification of program—Approved by board. [Order PL-148, § 4-20-120, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-20-130	Qualification of program—Individual study. [Order PL-148, § 4-20-130, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-20-140	Instructor or discussion leader. [Statutory Authority: RCW 18.04.070, 80-05-033 (Order PL-341), § 4-20-140, filed 4/15/80; Order PL-175, § 4-20-140, filed 9/24/74; Order PL-148, § 4-20-140, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.
4-20-150	Qualification of program—Published articles and books. [Statutory Authority: RCW 18.04.070 and 18.04.290(2), 82-14-052 (Order PL 401), § 4-20-150, filed 6/30/82; Order PL-148, § 4-20-150, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-20-200 Controls and reporting—Statement of completion. [Order PL-148, § 4-20-200, filed 9/25/73.] Repealed by 91-01-057, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

**Chapter 4-24**

**PUBLIC RECORDS—DISCLOSURE**

4-24-010 Purpose. [Order 257, § 4-24-010, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-020 Definitions. [Order 257, § 4-24-020, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-021 Definitions. [Statutory Authority: RCW 18.04.070. 83-22-033 (Order ACB 106), § 4-24-021, filed 10/26/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-030 Description of central and field organization of the board. [Order 257, § 4-24-030, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-040 Operations and procedures. [Order 257, § 4-24-040, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-041 Operations and procedures. [Statutory Authority: RCW 18.04.070. 83-22-033 (Order ACB 106), § 4-24-041, filed 10/26/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-050 Public records available. [Order 257, § 4-24-050, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-060 Public records officer. [Order 257, § 4-24-060, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-070 Office hours. [Order 257, § 4-24-070, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-080 Requests for public records. [Order 257, § 4-24-080, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-090 Copying. [Order 257, § 4-24-090, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-100 Exemptions. [Order 257, § 4-24-100, filed 11/16/76.] Repealed by 91-01-055, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-24-101 Exemptions. [Statutory Authority: RCW 18.04.070. 83-22-033 (Order ACB 106), § 4-24-101, filed 10/26/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-110 Review of denials of public requests. [Order 257, § 4-24-110, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-120 Protection of public records. [Order 257, § 4-24-120, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-130 Index of public records available. [Order 257, § 4-24-130, filed 11/16/76.] Repealed by 91-01-055, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.055.

4-24-131 Index of public records available. [Statutory Authority: RCW 18.04.055. 91-01-055, § 4-24-131, filed 12/13/90, effective 1/13/91. Statutory Authority: RCW 18.04.070. 83-22-033 (Order ACB 106), § 4-24-131, filed 10/26/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-140 Address where requests to be directed. [Order 257, § 4-24-140, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-24-150 Adoption of form—Appendix A. [Order 257, § 4-24-150, filed 11/16/76.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

(2009 Ed.)

**Chapter 4-25 WAC  
GENERAL PROVISIONS**

**WAC**

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4-25-400 What is the authority for and the purpose of the board's rules?  
4-25-410 Definitions.

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4-25-520 What public records does the board maintain?  
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4-25-540 What rules govern the proceedings before the board?  
4-25-550 Do I need to notify the board if I change my address?  
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4-25-631 Compliance is required with which rules, regulations and professional standards?  
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4-25-720 How do I apply to take the CPA examination?  
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4-25-735 How does a CPA-Inactive certificateholder apply for licensure?  
4-25-745 How do I apply for an initial individual CPA license?  
4-25-746 How do I apply for a Washington state CPA license if I hold a valid CPA license in another state?  
4-25-747 Must an out-of-state individual holding a license from another state apply and obtain a Washington state license to hold out and practice in Washington state?  
4-25-750 What are the CPA firm licensing requirements?  
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4-25-753 Must a firm holding a license from another state apply and obtain a Washington state license to hold out and practice in Washington state?  
4-25-781 What are the rules governing reciprocity for accountants from foreign countries?  
4-25-782 How do I apply for an initial Washington state license through foreign reciprocity?  
4-25-783 How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity?  
4-25-790 How do I renew my individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?  
4-25-791 I am a CPA-Inactive certificateholder—Prior to July 1, 2001, I held a license—How do I apply to return to my previous status as a licensee?  
4-25-792 How do I reinstate a lapsed individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?

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4-25-793	If I retire my license or CPA-Inactive certificate, how do I apply to return to my previous status as a licensee or a CPA-Inactive certificateholder?	4-25-140	CPA certificate—Education requirements. [Statutory Authority: RCW 18.04.055(9). 91-24-028, § 4-25-140, filed 11/26/91, effective 12/27/91. Statutory Authority: RCW 18.04.005(3) [18.04.055(3)]. 87-04-051 (Order ACB-126), § 4-25-140, filed 2/4/87. Statutory Authority: RCW 18.04.055. 85-11-013 (Order ACB 111), § 4-25-140, filed 5/8/85. Statutory Authority: RCW 18.04.070. 83-22-032 (Order ACB 105), § 4-25-140, filed 10/26/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.
4-25-795	How do I reinstate a revoked or suspended license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?		
	CONTINUING COMPETENCY		
4-25-820	What are the requirements for participating in quality assurance review (QAR)?		
4-25-830	What are the CPE requirements for individuals?	4-25-141	CPA exam—Application. [Statutory Authority: RCW 18.04.055 (1) and (11). 92-20-105, § 4-25-141, filed 10/6/92, effective 11/6/92. Statutory Authority: RCW 18.04.105. 87-15-072 (Order ACB 134), § 4-25-141, filed 7/17/87. Statutory Authority: RCW 18.04.070. 83-22-032 (Order ACB 105), § 4-25-141, filed 10/26/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.
4-25-831	What are the program standards for CPE?		
4-25-832	How do I report my CPE to the board?		
4-25-833	What documentation must I retain to support my eligibility for CPE credits?		
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4-25-910	What are the bases for the board to impose discipline?	4-25-142	CPA exam—Policy on cheating. [Statutory Authority: RCW 18.04.055(9). 88-05-015 (Order ACB-145), § 4-25-142, filed 2/11/88.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.
4-25-930	Does the board authorize the use of any other titles or designations?		
	<b>DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER</b>		
4-25-010	Preamble. [Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-010, filed 10/10/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.	4-25-180	Permits to practice—Individual. [Statutory Authority: RCW 18.04.070. 83-22-032 (Order ACB 105), § 4-25-180, filed 10/26/83.] Repealed by 89-03-062 (Order ACB-165), filed 1/17/89.
4-25-020	Definitions. [Statutory Authority: RCW 18.04.055(11). 92-20-103, § 4-25-020, filed 10/6/92, effective 11/6/92. Statutory Authority: RCW 18.04.055. 84-06-021 (Order ACB 107), § 4-25-020, filed 2/29/84. Statutory Authority: RCW 18.04.070. 83-22-032 (Order ACB 105), § 4-25-020, filed 10/26/83.] Repealed by 94-23-079, filed 11/16/94, effective 12/17/94. Statutory Authority: RCW 18.04.055 (1) and (2).	4-25-181	Experience. [Statutory Authority: RCW 18.04.070. 83-22-032 (Order ACB 105), § 4-25-181, filed 10/26/83.] Repealed by 88-06-021 (Order ACB-146), filed 2/25/88. Statutory Authority: RCW 18.04.215 (1)(a).
4-25-030	Unlawful acts. [Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-030, filed 10/10/83.] Repealed by 94-23-079, filed 11/16/94, effective 12/17/94. Statutory Authority: RCW 18.04.055 (1) and (2).	4-25-182	Continuing professional education. [Statutory Authority: RCW 18.04.070. 83-22-032 (Order ACB 105), § 4-25-182, filed 10/26/83.] Repealed by 87-19-118 (Order ACB-136), filed 9/21/87. Statutory Authority: RCW 18.04.105 (9)-(11) and 18.04.215.
4-25-040	Board meetings, officers, fees. [Statutory Authority: RCW 18.04.055 (1) and (11). 92-20-104, § 4-25-040, filed 10/6/92, effective 11/6/92. Statutory Authority: RCW 18.04.055(9). 91-24-027, § 4-25-040, filed 11/26/91, effective 12/27/91. Statutory Authority: RCW 18.04.065. 89-19-004 (Order ACB-192), § 4-25-040, filed 9/7/89, effective 10/8/89; 89-03-062 (Order ACB-165), § 4-25-040, filed 1/17/89; 87-19-117 (Order ACB-135), § 4-25-040, filed 9/21/87. Statutory Authority: RCW 18.04.055. 85-24-026 (Order ACB 115), § 4-25-040, filed 11/26/85. Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-040, filed 10/10/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.	4-25-183	Program standards. [Statutory Authority: RCW 18.04.070. 83-22-032 (Order ACB 105), § 4-25-183, filed 10/26/83.] Repealed by 87-19-118 (Order ACB-136), filed 9/21/87. Statutory Authority: RCW 18.04.-105 (9)-(11) and 18.04.215.
4-25-040	Board meetings, officers, fees. [Statutory Authority: RCW 18.04.055 (1) and (11). 92-20-104, § 4-25-040, filed 10/6/92, effective 11/6/92. Statutory Authority: RCW 18.04.055(9). 91-24-027, § 4-25-040, filed 11/26/91, effective 12/27/91. Statutory Authority: RCW 18.04.065. 89-19-004 (Order ACB-192), § 4-25-040, filed 9/7/89, effective 10/8/89; 89-03-062 (Order ACB-165), § 4-25-040, filed 1/17/89; 87-19-117 (Order ACB-135), § 4-25-040, filed 9/21/87. Statutory Authority: RCW 18.04.055. 85-24-026 (Order ACB 115), § 4-25-040, filed 11/26/85. Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-040, filed 10/10/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.	4-25-184	Reports. [Statutory Authority: RCW 18.04.070. 83-22-032 (Order ACB 105), § 4-25-184, filed 10/26/83.] Repealed by 87-19-118 (Order ACB-136), filed 9/21/87. Statutory Authority: RCW 18.04.105 (9)-(11) and 18.04.215.
4-25-060	Code of professional conduct. [Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-060, filed 10/10/83.] Repealed by 93-12-045, filed 10/28/93, effective 11/28/93. Statutory Authority: RCW 18.04.055.	4-25-185	Continuing professional education. [Statutory Authority: RCW 18.04.105 (9)-(11) and 18.04.215. 87-19-118 (Order ACB-136), § 4-25-185, filed 9/21/87.] Repealed by 94-02-070, filed 1/4/94, effective 2/4/94. Statutory Authority: RCW 18.04.055.
4-25-080	Commissions, referral fees, and contingent fees. [Statutory Authority: RCW 18.04.055. 93-22-044, § 4-25-080, filed 10/28/93, effective 11/28/93. Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-080, filed 10/10/83.] Repealed by 94-23-079, filed 11/16/94, effective 12/17/94. Statutory Authority: RCW 18.04.055 (1) and (2).	4-25-186	Program standards. [Statutory Authority: RCW 18.04.-105 (9)-(11) and 18.04.215. 87-19-118 (Order ACB-136), § 4-25-186, filed 9/21/87.] Repealed by 94-02-070, filed 1/4/94, effective 2/4/94. Statutory Authority: RCW 18.04.055.
4-25-100	Competence and technical standards. [Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-100, filed 10/10/83.] Repealed by 93-12-045, filed 10/28/93, effective 11/28/93. Statutory Authority: RCW 18.04.055.	4-25-187	Reports. [Statutory Authority: RCW 18.04.105 (9)-(11) and 18.04.215. 87-19-118 (Order ACB-136), § 4-25-187, filed 9/21/87.] Repealed by 94-02-070, filed 1/4/94, effective 2/4/94. Statutory Authority: RCW 18.04.055.
4-25-120	Responsibilities to clients. [Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-120, filed 10/10/83.] Repealed by 93-12-045, filed 10/28/93, effective 11/28/93. Statutory Authority: RCW 18.04.055.	4-25-188	Program sponsor agreements. [Statutory Authority: RCW 18.04.105 (9)-(11) and 18.04.215. 87-19-118 (Order ACB-136), § 4-25-188, filed 9/21/87.] Repealed by 94-02-070, filed 1/4/94, effective 2/4/94. Statutory Authority: RCW 18.04.055.
4-25-130	Other responsibilities and practices. [Statutory Authority: RCW 18.04.070. 83-22-032 (Order ACB 105), § 4-25-130, filed 10/26/83.] Repealed by 93-12-074, filed 11/1/93, effective 12/2/93. Statutory Authority: RCW 18.04.055.	4-25-190	Experience. [Statutory Authority: RCW 18.04.055(9) and 18.04.215(a). 91-21-005, § 4-25-190, filed 10/3/91, effective 11/3/91. Statutory Authority: RCW 18.04.215 (1)(a). 88-06-021 (Order ACB-146), § 4-25-190, filed 2/25/88.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.
		4-25-191	Licenses to practice—Certificates—Individual. [Statutory Authority: RCW 18.04.215. 89-03-062 (Order ACB-165), § 4-25-191, filed 1/17/89.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.
		4-25-220	Permits to practice—Firms. [Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-220, filed 10/10/83.] Repealed by 93-12-074, filed 11/1/93, effective 12/2/93. Statutory Authority: RCW 18.04.-055.
		4-25-260	Temporary permits. [Statutory Authority: RCW 18.04.-070. 83-21-030 (Order ACB 104), § 4-25-260, filed

10/10/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-25-270 Enforcement actions against licensees. [Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-270, filed 10/10/83.] Repealed by 94-23-079, filed 11/16/94, effective 12/17/94. Statutory Authority: RCW 18.04.055 (1) and (2).

4-25-280 Quality assurance review program. [Statutory Authority: RCW 18.04.055(7). 87-03-040 (Order ACB-128), § 4-25-280, filed 1/16/87.] Repealed by 94-02-070, filed 1/4/94, effective 2/4/94. Statutory Authority: RCW 18.04.055.

4-25-300 Enforcement procedures—Investigations. [Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-300, filed 10/10/83.] Repealed by 94-02-070, filed 1/4/94, effective 2/4/94. Statutory Authority: RCW 18.04.055.

4-25-320 Enforcement procedures—Hearings by the board. [Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-320, filed 10/10/83.] Repealed by 94-02-070, filed 1/4/94, effective 2/4/94. Statutory Authority: RCW 18.04.055.

4-25-360 Reinstatement. [Statutory Authority: RCW 18.04.070. 83-21-030 (Order ACB 104), § 4-25-360, filed 10/10/83.] Repealed by 93-12-064, filed 5/27/93, effective 7/1/93. Statutory Authority: RCW 18.04.055.

4-25-511 Confidential information. [Statutory Authority: RCW 18.04.055. 93-12-076, § 4-25-511, filed 5/27/93, effective 7/1/93.] Repealed by 99-02-008, filed 12/24/98, effective 1/24/99. Statutory Authority: RCW 18.04.-055.

4-25-522 Operations and procedures. [Statutory Authority: RCW 18.04.055(1). 94-02-068, § 4-25-522, filed 1/4/94, effective 2/4/94.] Repealed by 00-11-069, filed 5/15/00, effective 6/30/00. Statutory Authority: RCW 18.04.-055.

4-25-600 Rules of professional conduct—Preamble. [Statutory Authority: RCW 18.04.055 [18.04.055]. 93-22-046, § 4-25-600, filed 10/28/93, effective 11/28/93.] Repealed by 01-22-036, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055(2).

4-25-625 Commissions and referral fees. [Statutory Authority: RCW 18.04.055. 94-23-069, § 4-25-625, filed 11/15/94, effective 12/16/94.] Repealed by 98-12-056, filed 5/29/98, effective 6/29/98. Statutory Authority: RCW 18.04.055(2).

4-25-627 Contingent fees. [Statutory Authority: RCW 18.04.-055. 94-23-069, § 4-25-627, filed 11/15/94, effective 12/16/94.] Repealed by 98-12-056, filed 5/29/98, effective 6/29/98. Statutory Authority: RCW 18.04.055(2).

4-25-722 CPA examination—Content. [Statutory Authority: RCW 18.04.055 and 18.04.105. 96-12-062, § 4-25-722, filed 5/31/96, effective 7/1/96. Statutory Authority: RCW 18.04.055. 93-22-047, § 4-25-722, filed 10/28/93, effective 11/28/93.] Repealed by 01-11-128, filed 5/22/01, effective 6/30/01. Statutory Authority: RCW 18.04.055(11).

4-25-740 CPA certificate and license. [Statutory Authority: RCW 18.04.215. 93-12-067, § 4-25-740, filed 5/27/93, effective 7/1/93.] Repealed by 99-18-114, filed 9/1/99, effective 1/1/00. Statutory Authority: RCW 18.04.105.

4-25-755 Temporary permits. [Statutory Authority: RCW 18.04.-055(11). 93-12-066, § 4-25-755, filed 5/27/93, effective 7/1/93.] Repealed by 01-22-036, filed 10/30/01, effective 12/1/01.

4-25-756 I am licensed in another state—How do I notify the board of my intent to enter the state in order to obtain practice privileges in the state of Washington? [Statutory Authority: RCW 18.04.350(6). 05-01-135, § 4-25-756, filed 12/16/04, effective 1/31/05. Statutory Authority: RCW 18.04.350(2). 02-04-064, § 4-25-756, filed 1/31/02, effective 3/15/02.] Repealed by 08-18-016, filed 8/25/08, effective 9/25/08. Statutory Authority: RCW 18.04.055, 18.04.350(2).

4-25-760 Reinstating certificates and licenses. [Statutory Authority: RCW 18.04.055(11). 93-12-065, § 4-25-760, filed 5/27/93, effective 7/1/93.] Repealed by 99-18-118, filed 9/1/99, effective 1/1/00. Statutory Authority: RCW 18.04.055(11).

4-25-780 Reciprocity for accountants from foreign countries. [Statutory Authority: RCW 18.04.055 and 18.04.183. 99-18-119, § 4-25-780, filed 9/1/99, effective 1/1/00; 94-10-039, § 4-25-780, filed 4/29/94, effective 5/30/94.] Repealed by 00-11-075, filed 5/15/00, effective 6/30/00.

Statutory Authority: RCW 18.04.055(11) and 18.04.-183.

4-25-810 Continuing professional education (CPE)—Who must have CPE. [Statutory Authority: RCW 18.04.055(7) and 18.04.215(4). 98-12-051, § 4-25-810, filed 5/29/98, effective 1/1/99. Statutory Authority: RCW 18.04.055. 94-02-072, § 4-25-810, filed 1/4/94, effective 2/4/94.] Repealed by 99-23-049, filed 11/15/99, effective 1/1/00. Statutory Authority: RCW 18.04.055.

4-25-811 Continuing professional education (CPE)—Program standards. [Statutory Authority: RCW 18.04.055. 94-02-072, § 4-25-811, filed 1/4/94, effective 2/4/94.] Repealed by 99-23-049, filed 11/15/99, effective 1/1/00. Statutory Authority: RCW 18.04.055.

4-25-812 Continuing professional education (CPE)—Reports. [Statutory Authority: RCW 18.04.055. 94-02-072, § 4-25-812, filed 1/4/94, effective 2/4/94.] Repealed by 99-23-049, filed 11/15/99, effective 1/1/00. Statutory Authority: RCW 18.04.055.

4-25-813 Continuing professional education (CPE)—Program sponsor agreements. [Statutory Authority: RCW 18.04.055. 94-02-072, § 4-25-813, filed 1/4/94, effective 2/4/94.] Repealed by 99-23-050, filed 11/15/99, effective 1/1/00. Statutory Authority: RCW 18.04.055 and 18.04.105.

4-25-920 Hearings by the board. [Statutory Authority: RCW 34.05.220 and 18.04.055. 94-02-069, § 4-25-920, filed 1/4/94, effective 2/4/94.] Repealed by 99-02-008, filed 12/24/98, effective 1/24/99. Statutory Authority: RCW 18.04.055.

**DEFINITIONS**

**WAC 4-25-400 What is the authority for and the purpose of the board's rules?** The Public Accountancy Act (act), chapter 18.04 RCW, establishes the board as the licensing and disciplinary agency for certified public accountants (CPA), CPA-Inactive certificateholders, CPA firms, and owners of CPA firms. The act authorizes the board to promulgate rules to carry out the purpose of the act, which include:

- Protecting the public interest;
- Enhancing the reliability of information used for guidance in financial transactions or for accounting for or assessing financial status or performance;
- Establishing one set of qualifications to be a licensee of this state;
- Assuring that CPAs practicing in Washington have substantially equivalent qualifications to those practicing in other states;
- Regulating ownership of CPA firms;
- Publishing consumer alerts and public protection information regarding persons and firms who violate the act or board rules; and
- Providing general consumer protection information to the public.

The board's rules, contained in chapter 4-25 WAC, encompass these subjects:

- Definitions;
- Administration of the board;
- Ethics and prohibited practices;
- Entry and renewal requirements;
- Continuing competency; and
- Regulation and enforcement.

[Statutory Authority: RCW 18.04.055. 08-18-016, § 4-25-400, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-400, filed 12/16/04, effective 1/31/05; 01-22-036, § 4-25-400, filed 10/30/01, effective 12/1/01; 00-11-067, § 4-25-400, filed 5/15/00, effective 6/30/00; 93-12-063, § 4-25-400, filed 5/27/93, effective 7/1/93.]

**WAC 4-25-410 Definitions.** For purposes of these rules the following terms have the meanings indicated unless a different meaning is otherwise clearly provided in these rules:

(1) "**Act**" means the Public Accountancy Act codified as chapter 18.04 RCW.

(2) "**Active individual participant**" means an individual whose primary occupation is at the firm or affiliated entity's business. An individual whose primary source of income from the business entity is provided as a result of passive investment is not an active individual participant.

(3) "**Affiliated entity**" means any entity, entities or persons that directly or indirectly through one or more relationships influences or controls, is influenced or controlled by, or is under common influence or control with other entities or persons. This definition includes, but is not limited to, parents, subsidiaries, investors or investees, coinvestors, dual employment or management in joint ventures or brother-sister entities.

(4) "**Applicant**" means an individual who has applied:

(a) To take the national uniform CPA examination;

(b) For an initial individual license, an initial firm license, or initial registration as a resident nonlicensee owner;

(c) To renew an individual license, a CPA-Inactive certificate, a CPA firm license, or registration as a resident nonlicensee firm owner;

(d) To reinstate an individual license, a CPA-Inactive certificate, registration as a resident nonlicensee firm owner, or practice privileges.

(5) "**Attest**" means providing the following financial statement services:

(a) Any audit or other engagement to be performed in accordance with the statements on auditing standards;

(b) Any review of a financial statement to be provided in accordance with the statements on standards for accounting and review services;

(c) Any examination of prospective financial information to be performed in accordance with the statements on standards for attestation engagements; and

(d) Any engagement to be performed in accordance with the public company accounting oversight board auditing standards.

(6) "**Audit,**" "**review,**" and "**compilation**" are terms reserved for use by licensees, as defined in subsection (28) of this section.

(7) "**Board**" means the board of accountancy created by RCW 18.04.035.

(8) "**Certificate**" means a certificate as a CPA-Inactive issued in the state of Washington prior to July 1, 2001, as authorized by the act, unless otherwise defined in rule.

(9) "**Certificateholder**" means the holder of a valid CPA-Inactive certificate where the individual is not a licensee and is prohibited from practicing public accounting.

(10) "**Client**" means the person or entity that retains a licensee, as defined in subsection (28) of this section, a CPA-Inactive certificateholder, a nonlicensee firm owner of a licensed firm, or an entity affiliated with a licensed firm to perform professional services through other than an employer/employee relationship.

(11) "**Commissions and referral fees**" are compensation arrangements where:

(a) The primary contractual relationship for the product or service is not between the client and licensee, as defined in subsection (28) of this section, CPA-Inactive certificateholder, nonlicensee firm owner of a licensed firm, or a person affiliated with a licensed firm;

(b) Such persons are not primarily responsible to the client for the performance or reliability of the product or service;

(c) Such persons add no significant value to the product or service; or

(d) A third party instead of the client pays the persons for the products or services.

(12) "**Compilation**" means providing a service to be performed in accordance with statements on standards for accounting and review services that is presenting in the form of financial statements, information that is the representation of management (owners) without undertaking to express any assurance on the statements.

(13) "**Contingent fees**" are fees established for the performance of any service pursuant to an arrangement in which no fee will be charged unless a specified finding or result is attained, or in which the amount of the fee is otherwise dependent upon the finding or result of such service.

(14) "**CPA**" or "**certified public accountant**" means an individual holding a license to practice public accounting under chapter 18.04 RCW or recognized by the board in the state of Washington, including an individual exercising practice privileges pursuant to RCW 18.04.350(2).

(15) "**CPA-Inactive**" means an individual holding a CPA-Inactive certificate recognized in the state of Washington. An individual holding a CPA-Inactive certificate is prohibited from practicing public accounting and may only use the CPA-Inactive title if they are not offering accounting, tax, tax consulting, management advisory, or similar services to the public.

(16) "**CPE**" means continuing professional education.

(17) "**Firm**" means a sole proprietorship, a corporation, or a partnership. "Firm" also means a limited liability company or partnership formed under chapters 25.15 and 18.100 RCW and a professional service corporation formed under chapters 23B.02 and 18.100 RCW.

(18) "**Generally accepted accounting principles**" (GAAP) is an accounting term that encompasses the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. It includes not only broad guidelines of general application, but also detailed practices and procedures. Those conventions, rules, and procedures provide a standard by which to measure financial presentations.

(19) "**Generally accepted auditing standards**" (GAAS) are guidelines and procedures, promulgated by the AICPA, for conducting individual audits of historical financial statements.

(20) "**Holding out**" means any representation to the public by the use of restricted titles as set forth in RCW 18.04.345 by a person that the person holds a license or practice privileges under the act and that the person offers to perform any professional services to the public. "Holding out" shall not affect or limit a person not required to hold a license under the act from engaging in practices identified in RCW 18.04.350.

(21) "**Home office**" is the location specified by the client as the address to which a service is directed.

(22) "**Inactive**" means the individual held a valid certificate on June 30, 2001, has not met the current requirements of licensure and has been granted CPA-Inactive certificate-holder status through the renewal process established by the board. A CPA-Inactive may not practice public accounting nor may the individual use the CPA-Inactive title if they are offering accounting, tax, tax consulting, management advisory, or similar services to the public.

(23) "**Individual**" means a living, human being.

(24) "**Independence**" means an absence of relationships that impair a licensee's impartiality and objectivity in rendering professional services for which a report expressing assurance is prescribed by professional standards.

(25) "**Interactive self-study program**" means a CPE program that provides feedback throughout the course.

(26) "**IRS**" means Internal Revenue Service.

(27) "**License**" means a license to practice public accounting issued to an individual or a firm under the act or the act of another state.

(28) "**Licensee**" means an individual or firm holding a valid license to practice public accounting issued under the act, including out-of-state individuals qualifying for practice privileges in this state under RCW 18.04.350(2) and out-of-state firms permitted to offer or render certain professional services in this state under the conditions prescribed in RCW 18.04.195 (1)(b).

(29) "**Manager**" means a manager of a limited liability company licensed as a firm under the act.

(30) "**NASBA**" means the National Association of State Boards of Accountancy.

(31) "**Nonlicensee firm owner**" means an individual, not licensed in any state to practice public accounting, who holds an ownership interest in a firm permitted to practice public accounting in this state.

(32) "**PCAOB**" means Public Company Accounting Oversight Board.

(33) "**Peer review**" means a study, appraisal, or review of one or more aspects of the attest or compilation work of a licensee or licensed firm in the practice of public accounting, by a person or persons who hold licenses and who are not affiliated with the person or firm being reviewed, including a peer review, or any internal review or inspection intended to comply with quality control policies and procedures, but not including the "quality assurance review" under subsection (38) of this section.

(34) "**Person**" means any individual, nongovernmental organization, or business entity regardless of legal form, including a sole proprietorship, firm, partnership, corporation, limited liability company, association, or not-for-profit organization, and including the sole proprietor, partners, members, and, as applied to corporations, the officers.

(35) "**Practice privileges**" are the rights granted by chapter 18.04 RCW to a person who:

(a) Has a principal place of business outside of Washington state;

(b) Is licensed to practice public accounting in another substantially equivalent state;

(c) Meets the statutory criteria for the exercise of privileges as set forth in RCW 18.04.350(2) for individuals or RCW 18.04.195 (1)(b) for firms;

(d) Exercises the right to practice public accounting in this state individually or on behalf of a firm;

(e) Is subject to the personal and subject matter jurisdiction and disciplinary authority of the board in this state;

(f) Must comply with the act and all board rules applicable to Washington state licensees to retain the privilege; and

(g) Consents to the appointment of the issuing state board of another state as agent for the service of process in any action or proceeding by this state's board against the certificateholder or licensee.

(36) "**Principal place of business**" means the office location designated by the licensee for purposes of substantial equivalency and reciprocity.

(37) "**Public practice**" or the "**practice of public accounting**" means performing or offering to perform by a person or firm holding itself out to the public as a licensee, or as an individual holding practice privileges, for a client or potential client, one or more kinds of services involving the use of accounting or auditing skills, including the issuance of "audit reports," "review reports," or "compilation reports" on financial statements, or one or more kinds of management advisory, or consulting services, or the preparation of tax returns, or the furnishing of advice on tax matters. The "practice of public accounting" shall not include practices that are permitted under the provisions of RCW 18.04.350(6) by persons or firms not required to be licensed under the act.

(38) "**Quality assurance review or QAR**" is the process, established by and conducted at the direction of the board, to study, appraise, or review one or more aspects of the audit, compilation, review, and other professional services for which a report expressing assurance is prescribed by professional standards of a licensee or licensed firm in the practice of public accounting, by a person or persons who hold licenses and who are not affiliated with the person or firm being reviewed.

(39) "**Reciprocity**" means board recognition of licenses, permits, certificates or other public accounting credentials of another jurisdiction that the board will rely upon in full or partial satisfaction of licensing requirements.

(40) "**Referral fees**" see definition of "commissions and referral fees" in subsection (11) of this section.

(41) "**Reports on financial statements**" means any reports or opinions prepared by licensees, based on services performed in accordance with generally accepted auditing standards, standards for attestation engagements, or standards for accounting and review services, as to whether the presentation of information used for guidance in financial transactions or for accounting for or assessing the status or performance of an entity, whether public, private, or governmental, conforms with generally accepted accounting principles or an "other comprehensive bases of accounting," or the presentation and disclosure requirements of other professional standards. "Reports on financial statements" does not include services referenced in RCW 18.04.350(10) provided by persons not holding a license under the act.

(42) "**Representing oneself**" means having a license, practice privilege, certificate or registration that entitles the

holder to use the title "CPA," "CPA-Inactive," or be a nonlicensee firm owner.

(43) **"Rules of professional conduct"** means rules adopted by the board to govern the conduct of licensees, as defined in subsection (28) of this section, while representing themselves to others as licensees. These rules also govern the conduct of CPA-Inactive certificateholders, nonlicensee firm owners, and persons exercising practice privileges pursuant to RCW 18.04.350(2).

(44) **"SEC"** means the Securities and Exchange Commission.

(45) **"Sole proprietorship"** means a legal form of organization owned by one person meeting the requirements of RCW 18.04.195.

(46) **"State"** includes the states and territories of the United States, including the District of Columbia, Puerto Rico, Guam, and the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands at such time as the board determines that the Commonwealth of the Northern Mariana Islands is issuing licenses under the substantially equivalent standards of RCW 18.04.350 (2)(a).

(47) **"Statements on auditing standards (SAS)"** are interpretations of the generally accepted auditing standards and are issued by the Auditing Standards Board of the AICPA. Licensees are required to adhere to these standards in the performance of audits of financial statements.

(48) **"Statements on standards for accounting and review services (SSARS)"** are standards, promulgated by the AICPA, to give guidance to licensees who are associated with the financial statements of nonpublic companies and issue compilation or review reports.

(49) **"Statements on standards for attestation engagements (SSAE)"** are guidelines, promulgated by the AICPA, for use by licensees in attesting to assertions involving matters other than historical financial statements and for which no other standards exist.

[Statutory Authority: RCW 18.04.055, 18.04.025, 08-18-016, § 4-25-410, filed 8/25/08, effective 9/25/08. Statutory Authority: RCW 18.04.055, 05-01-137, § 4-25-410, filed 12/16/04, effective 1/31/05; 03-24-033, § 4-25-410, filed 11/25/03, effective 12/31/03. Statutory Authority: RCW 18.04.055(16), 02-04-064, § 4-25-410, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055(11), 01-11-124, § 4-25-410, filed 5/22/01, effective 6/30/01; 98-12-020, § 4-25-410, filed 5/27/98, effective 6/27/98; 94-23-071, § 4-25-410, filed 11/15/94, effective 12/16/94.]

## ADMINISTRATION

**WAC 4-25-510 What is the board's meeting schedule and how are officers elected?** Regular board meetings begin at 9:00 a.m. on the last Friday of the month in the months of January, April and July or as otherwise determined by the board. The board holds an annual meeting beginning at 9:00 a.m. on the last Friday of October or as otherwise determined by the board.

The board consists of nine members. At the annual meeting the board elects the chair, vice-chair, and secretary from its members. The newly elected officers assume the duties of their offices on January 1 following the annual board meeting. Officers serve a term of one year and can be reelected for one additional term.

Either the chair or a quorum of the board has the authority to call meetings of the board. The chair presides at all

meetings. In the event of the chair's absence or inability to act, the vice-chair presides. The board determines other duties of the officers.

The board's meetings are open public meetings conducted pursuant to chapter 42.30 RCW. WAC 4-25-521 provides information on how to contact the board's office for meeting times and locations or additional information regarding the board's activities.

[Statutory Authority: RCW 18.04.055, 42.30.070, 07-14-034, § 4-25-510, filed 6/26/07, effective 7/27/07; 05-01-137, § 4-25-510, filed 12/16/04, effective 1/31/05; 01-22-036, § 4-25-510, filed 10/30/01, effective 12/1/01; 00-11-068, § 4-25-510, filed 5/15/00, effective 6/30/00; 99-18-111, § 4-25-510, filed 9/1/99, effective 1/1/00. Statutory Authority: RCW 18.04.055, 93-12-077, § 4-25-510, filed 5/27/93, effective 7/1/93.]

**WAC 4-25-520 What public records does the board maintain?** The board maintains the following public records:

- (1) A data base of licensees and certificateholders;
- (2) A data base of CPA examination candidates;
- (3) A data base of registered resident nonlicensee firm owners;
- (4) Board orders;
- (5) Board meeting minutes;
- (6) Board policies;
- (7) Board rule-making files; and
- (8) Documents dealing with the regulatory, supervisory, and enforcement responsibilities of the board.

In order to obtain a list of individuals under the provisions of RCW 42.17.260(9), educational and professional organizations must use the form provided by the board and apply for and receive recognition by the board. Fees for lists must be paid in advance.

[Statutory Authority: RCW 18.04.055, 42.56.070, 08-18-016, § 4-25-520, filed 8/25/08, effective 9/25/08. Statutory Authority: RCW 18.04.055 and 42.17.260, 02-04-064, § 4-25-520, filed 1/31/02, effective 3/15/02; 01-11-125, § 4-25-520, filed 5/22/01, effective 6/30/01; 98-12-021, § 4-25-520, filed 5/27/98, effective 6/27/98. Statutory Authority: Chapter 42.17 RCW, 93-14-050, § 4-25-520, filed 6/29/93, effective 7/30/93.]

**WAC 4-25-521 How can I contact the board?** The board's administrative office, executive director and staff are located in Olympia, Washington. You may utilize the following numbers or addresses to contact the board:

- 711 South Capitol Way, Suite 400, Olympia, WA 98501 (physical address);
  - P.O. Box 9131, Olympia, Washington 98507-9131 (mailing address);
  - 360/753-2586 (telephone);
  - 360/664-9190 (fax);
  - 800/833-6388 (TT service);
  - 800/833-6385 (Telebraille services);
  - customerservice@cpaboard.wa.gov (e-mail address);
- and
- www.cpaboard.wa.gov (web site address).

[Statutory Authority: RCW 18.04.055, 42.56.040, 08-18-016, § 4-25-521, filed 8/25/08, effective 9/25/08. Statutory Authority: RCW 18.04.055 and 42.17.250, 01-11-126, § 4-25-521, filed 5/22/01, effective 6/30/01. Statutory Authority: RCW 18.04.055(1), 94-02-068, § 4-25-521, filed 1/4/94, effective 2/4/94.]

**WAC 4-25-530 Fees.** The board shall charge the following fees:

(1)	Initial application for individual license, individual license through reciprocity, CPA firm license (sole proprietorships with no employees are exempt from the fee), or registration as a resident nonlicensee firm owner	\$330
(2)	Renewal of individual license, CPA-Inactive certificate, CPA firm license (sole proprietorships with no employees are exempt from the fee), or registration as a resident nonlicensee firm owner	\$230
(3)	Application for CPA-Inactive certificate-holder to convert to a license	\$0
(4)	Application for reinstatement of license, CPA-Inactive certificate, or registration as a resident nonlicensee owner	\$480
(5)	Quality assurance review (QAR) program fee (includes monitoring reviews for up to two years)	
	Firm submits reports for review	\$400
	Firm submits a peer review report for review	\$60
	Firm is exempted from the QAR program because the firm did not issue attest reports	\$0
(6)	Late fee	\$100
(7)	Amendment to firm license except for a change of firm address (there is no fee for filing a change of address)	\$35
(8)	Copies of records, per page exceeding fifty pages	\$0.15
(9)	Computer diskette listing of licensees, CPA-Inactive certificateholders, or registered resident nonlicensee firm owners	\$75
(10)	Replacement CPA wall document	\$50
(11)	Dishonored check fee (including, but not limited to, insufficient funds or closed accounts)	\$35
(12)	CPA examination. Exam fees are comprised of section fees plus administrative fees. <b>The total fee is contingent upon which section(s) is/are being applied for and the number of sections being applied for at the same time.</b> The total fee is the section fee(s) for each section(s) applied for added to the administrative fee for the number of section(s) applied for.	
(a)	Section fees:	
(i)	Auditing and attestation	\$226.28
(ii)	Financial accounting and reporting	\$214.35
(iii)	Regulation	\$190.50
(iv)	Business environment and concepts	\$178.58
(b)	Administrative fees:	

(i)	First-time candidate - Four sections	\$132.95
(ii)	First-time candidate - Three sections	\$119.10
(iii)	First-time candidate - Two sections	\$104.70
(iv)	First-time candidate - One section	\$90.30
(v)	Reexam candidate - Four sections	\$130.75
(vi)	Reexam candidate - Three sections	\$111.40
(vii)	Reexam candidate - Two sections	\$91.50
(viii)	Reexam candidate - One section	\$71.60
	National Association of State Boards of Accountancy candidate data base investigation fee for exam applications submitted without the applicant's Social Security number	\$70

Note: The board may waive late filing fees for individual hardship including, but not limited to, financial hardship, critical illness, or active military deployment.

[Statutory Authority: RCW 18.04.065, 18.04.105(3), 08-14-152 and 08-15-018, § 4-25-530, filed 7/1/08 and 7/8/08, effective 8/1/08 and 8/8/08; 07-14-035, § 4-25-530, filed 6/26/07, effective 8/1/07; 06-14-030, § 4-25-530, filed 6/27/06, effective 8/1/06; 05-10-046, § 4-25-530, filed 4/29/05, effective 6/2/05. Statutory Authority: RCW 18.04.065, 18.04.105(3), 18.04.205, 05-01-136, § 4-25-530, filed 12/16/04, effective 1/31/05. Statutory Authority: RCW 18.04.065, [18.04.]105(3), [18.04.]195(7), [18.04.]205(4), [18.04.]215(8), [18.04.]350 (2)(a), and 42.17.260(8). 04-01-076, § 4-25-530, filed 12/15/03, effective 1/15/04. Statutory Authority: RCW 18.04.055, [18.04.]065, [18.04.]105 (1)(e) and (3), 02-22-083, § 4-25-530, filed 11/5/02, effective 12/31/02. Statutory Authority: RCW 18.04.055, 18.04.065, 18.04.105(3), 18.04.195(7), 18.04.205(4), 18.04.215(8), and 18.04.350(2). 01-22-036, § 4-25-530, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055, 18.04.065, 18.04.105(7), 18.04.195(6) and 18.04.205 (4), 99-18-112, § 4-25-530, filed 9/1/99, effective 1/1/00. Statutory Authority: RCW 18.04.055, 18.04.065 and 18.04.195(b), 99-02-009, § 4-25-530, filed 12/24/98, effective 5/7/99. Statutory Authority: RCW 18.04.055, 18.04.065 and 18.04.195(6), 96-12-060, § 4-25-530, filed 5/31/96, effective 7/1/96. Statutory Authority: RCW 18.04.055, 93-12-075, § 4-25-530, filed 5/27/93, effective 7/1/93.]

**WAC 4-25-540 What rules govern the proceedings before the board?** Except where they are inconsistent with the rules in this chapter and subject to additional rules that the board may adopt from time to time, practice and procedure in and before the board are governed by the uniform procedural rules codified in the Washington Administrative Code, chapter 10-08 WAC.

For certain types of decisions, the board has adopted an appeal process authorized by RCW 34.05.482 through 34.05.494 which is called a brief adjudicative proceeding. Decisions to which this appeal process will be applied are:

- (1) Staff denials of initial individual license applications, renewals, or applications for reinstatement;
- (2) Staff denials of CPA-Inactive certificate renewals or applications for reinstatement;
- (3) Staff denials of practice privilege reinstatements;
- (4) Staff denials of initial resident nonlicensee firm owner registration applications, renewals, or applications or requests for reinstatement;

(5) Staff denials of initial firm license applications, renewals, and amendments;

(6) Staff denials of exam applications; and

(7) A proposed suspension as a result of a determination by a lending agency of nonpayment or default on a federally or state-guaranteed student loan or service conditional scholarship.

To appeal a decision you must submit your request for a brief adjudicative proceeding, **in writing**, to the board **within thirty days** after the decision by board staff is posted in the U.S. mail. The presiding officer for the brief adjudicative proceedings is the executive director, or designee. After consulting with a board member, the executive director, or designee, renders a decision either upholding or overturning the decision by board staff. This decision, called an order, is mailed to you.

If you are dissatisfied with the order in the brief adjudicative proceeding, you may appeal to the board's vice-chair, or designee. This appeal process is called an administrative review. Your appeal must be received by the board, **orally or in writing, within twenty-one days** after the brief adjudicative proceedings order is posted in the U.S. mail. The vice-chair, or designee, considers your appeal and either upholds or overturns the brief adjudicative proceeding order. The vice-chair's, or designee's, decision, also called an order, is mailed to you.

[Statutory Authority: RCW 18.04.055(1), 34.05.220, and 34.05.482. 08-18-016, § 4-25-540, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-540, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-540, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055(1) and 34.05.482. 00-11-070, § 4-25-540, filed 5/15/00, effective 6/30/00; 98-12-022, § 4-25-540, filed 5/27/98, effective 6/27/98. Statutory Authority: RCW 18.04.055. 93-12-074, § 4-25-540, filed 5/27/93, effective 7/1/93.]

**WAC 4-25-550 Do I need to notify the board if I change my address?** Yes. All individuals licensed in this state, CPA-Inactive certificateholders, CPA firms licensed in this state, individuals registered with the board as resident nonlicensee firm owners, and applicants must notify the board **in writing** within thirty days of any change of address. Firms licensed in this state must notify the board of any opening, closing, or relocation of the main office or a branch office in this state.

[Statutory Authority: RCW 18.04.055(16). 08-18-016, § 4-25-550, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-550, filed 12/16/04, effective 1/31/05; 01-22-036, § 4-25-550, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055. 98-12-023, § 4-25-550, filed 5/27/98, effective 6/27/98; 93-12-073, § 4-25-550, filed 5/27/93, effective 7/1/93.]

**WAC 4-25-551 Must I respond to inquiries from the board?** Yes. All licensees, including out-of-state individuals qualifying for practice privileges in this state under RCW 18.04.350(2) and out-of-state firms permitted to offer or render certain professional services in this state under the condition prescribed in RCW 18.04.195 (1)(b), CPA-Inactive certificateholders, nonlicensee firm owners, and applicants must respond, **in writing**, to board communications requesting a response. Your response must be made within **twenty days of the date** the board's communication is posted in the U.S. mail. Communications from the board to you are directed to the last address you furnished the board.

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[Statutory Authority: RCW 18.04.055(16). 08-18-016, § 4-25-551, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-551, filed 12/16/04, effective 1/31/05; 01-22-036, § 4-25-551, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055. 98-12-047, § 4-25-551, filed 5/29/98, effective 6/29/98; 93-12-072, § 4-25-551, filed 5/27/93, effective 7/1/93.]

## ETHICS AND PROHIBITED PRACTICES

**WAC 4-25-610 Which rules govern the conduct of CPAs, CPA-Inactive certificateholders, CPA firms, and firm owners?** The rules that govern the conduct of CPAs, CPA-Inactive certificateholders, CPA firms, and firm owners are as follows:

(1) **Professional judgment**—In carrying out their responsibilities, a person representing oneself as a licensee, CPA-Inactive certificateholder, or nonlicensee firm owner, and/or using the CPA or CPA-Inactive title, and employees of such persons must exercise professional judgment in all their activities.

(2) **The public interest**—A person representing oneself as a licensee, CPA-Inactive certificateholder, or nonlicensee firm owner, and/or using the CPA or CPA-Inactive title, and employees of such persons must accept the obligation to act in a way that will serve the public interest, honor the public trust, and demonstrate commitment to professionalism.

(3) **Integrity**—To maintain and broaden public confidence a person representing oneself as a licensee, CPA-Inactive certificateholder, or nonlicensee firm owner, and/or using the CPA or CPA-Inactive title, and employees of such persons must perform all professional responsibilities with the highest sense of honesty.

(4) **Objectivity**—Objectivity is to be maintained by a person representing oneself as a licensee, CPA-Inactive certificateholder, or nonlicensee firm owner, and/or using the CPA or CPA-Inactive title, and employees of such persons. Specifically, such persons must:

(a) Avoid rendering professional services where actual or perceived conflicts of interest exist;

(b) Be independent in fact and appearance when providing attestation services.

(5) **Due care**—A person representing oneself as a licensee, CPA-Inactive certificateholder, or nonlicensee firm owner, and/or using the CPA or CPA-Inactive title, and employees of such persons must comply with federal and state laws and the profession's technical and ethical standards, maintain competence and strive to improve the quality of services, and discharge professional responsibility to the best of the person's or the firm's ability.

[Statutory Authority: RCW 18.04.055(2). 08-18-016, § 4-25-610, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-610, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-610, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055 [18.04.055]. 93-22-046, § 4-25-610, filed 10/28/93, effective 11/28/93.]

**WAC 4-25-620 What are the requirements concerning integrity and objectivity?** When offering or performing services, licensees, CPA-Inactive certificateholders, nonlicensee firm owners, and employees of such persons must:

- Remain honest and objective;
- Not misrepresent facts;
- Not subordinate their judgment to others; and

- Remain free of conflicts of interest unless such conflicts are specifically permitted by board rule or professional standards listed in WAC 4-25-631.

If the language of the professional standards listed in WAC 4-25-631 differ from or conflict with specific board rules, board rules prevail.

[Statutory Authority: RCW 18.04.055(2). 08-18-016, § 4-25-620, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-620, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-620, filed 1/31/02, effective 3/15/02; 98-12-048, § 4-25-620, filed 5/29/98, effective 6/29/98. Statutory Authority: RCW 18.40.055 [18.04.055]. 93-22-046, § 4-25-620, filed 10/28/93, effective 11/28/93.]

#### **WAC 4-25-622 When is independence required?**

When performing professional services for which a report expressing assurance is prescribed by professional standards, licensees, as defined in WAC 4-25-410, CPA-Inactive certificateholders, nonlicensee firm owners, and employees of such persons must evaluate and maintain their independence so that opinions, reports, conclusions, and judgments will be impartial and viewed as impartial by parties expected to rely on any report expressing assurance by such persons. Such persons are required:

(1) To comply with all applicable independence rules, regulations, and the AICPA code of conduct as referenced in and required by WAC 4-25-631; and

(2) To decline engagements for which a report expressing assurance is prescribed by professional standards when such persons have a relationship that could lead a reasonable and foreseeable user to conclude that such persons are not independent.

Independence is not required when performing a compilation engagement provided the report discloses a lack of independence.

[Statutory Authority: RCW 18.04.055(2). 08-18-016, § 4-25-622, filed 8/25/08, effective 9/25/08; 03-24-034, § 4-25-622, filed 11/25/03, effective 12/31/03; 98-12-049, § 4-25-622, filed 5/29/98, effective 6/29/98. Statutory Authority: RCW 18.40.055 [18.04.055]. 93-22-046, § 4-25-622, filed 10/28/93, effective 11/28/93.]

**WAC 4-25-626 What restrictions govern commissions, referral, and contingent fees?** For the purposes of this section, the term "licensed firm" includes any affiliated entity(ies) and the term "firm owner" includes the owner(s) of any affiliated entity(ies).

(1) Licensees and/or their employees must not for a commission recommend or refer to a client any product or service, or for a commission recommend or refer any product or service to be supplied by a client, or receive a commission, when such persons perform compilation, or other professional services for which a report expressing assurance is prescribed by professional standards for that client. This prohibition applies:

(a) During the period in which such persons are engaged to perform professional services for which a report expressing assurance is prescribed by professional standards; and

(b) During the period covered by any information for which a report expressing assurance is prescribed by professional standards and a report was issued by such persons.

(2) Licensees and/or their employees must also not:

(a) Perform for a contingent fee any professional services for, or receive such a fee from a client for whom such

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persons perform compilation, or other professional services for which a report expressing assurance is prescribed by professional standards; or

(b) Prepare an original or amended tax return or claim for a tax refund for a contingent fee for any client.

(3) The prohibition against contingent fees applies:

(a) During the period in which such persons are engaged to perform professional services for which a report expressing assurance is prescribed by professional standards; and

(b) During the period covered by any information for which a report expressing assurance is prescribed by professional standards and a report was issued by such persons.

(4) Fees are not considered contingent if fixed by courts or other public authorities, or, in tax matters, if determined based on the results of judicial proceedings or the findings of governmental agencies. Fees may vary depending, for example, on the complexity of services rendered.

(5) Any person subject to board rules who is not prohibited by this section from performing services for, or receiving a commission, referral or contingent fee and who are paid or expect to be paid accordingly must disclose that fact to any person or entity to whom such persons recommend or refer a product or service to which the commission, referral or contingent fee relates in the manner prescribed below:

(a) Disclose the arrangement in writing and in advance of client acceptance;

(b) Disclose the method of calculating the fee or amount of fee;

(c) Specify the licensee's, CPA-Inactive certificateholder's, or nonlicensee firm owner's role as the client's advisor; and

(d) Obtain the client's consent to the fee arrangement in writing.

(6) Nothing in this rule shall be interpreted to preclude licensees, as defined in WAC 4-25-410, CPA-Inactive certificateholders, or nonlicensee firm owners from purchasing, selling, or merging all or a portion of a licensed firm or affiliated entity or to require disclosure to clients of terms or payments made or received pursuant to the purchase, sale, or merger.

[Statutory Authority: RCW 18.04.055(2). 08-18-016, § 4-25-626, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-626, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-626, filed 1/31/02, effective 3/15/02; 01-03-012, § 4-25-626, filed 1/5/01, effective 2/5/01; 98-12-055, § 4-25-626, filed 5/29/98, effective 6/29/98.]

**WAC 4-25-630 What are the requirements concerning competence?** Licensees, CPA-Inactive certificateholders, nonlicensee firm owners, and employees of such persons must not undertake to perform any professional service unless such persons can reasonably expect to complete the service with professional competence.

[Statutory Authority: RCW 18.04.055(2). 08-18-016, § 4-25-630, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-630, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-630, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.40.055 [18.04.055]. 93-22-046, § 4-25-630, filed 10/28/93, effective 11/28/93.]

**WAC 4-25-631 Compliance is required with which rules, regulations and professional standards?** Licensees, including out-of-state individuals qualifying for practice privileges in this state under RCW 18.04.350(2) and out-of-

state firms permitted to offer or render certain professional services in this state under the conditions prescribed in RCW 18.04.195 (1)(b), CPA-Inactive certificateholders, CPA firms, nonlicensee firm owners, and employees of such persons must comply with rules, regulations, and professional standards promulgated by the appropriate bodies for each service undertaken. However, if the requirements found in the professional standards listed in this section differ from the requirements found in specific board rules, board rules prevail.

Authoritative bodies include, but are not limited to, the Securities and Exchange Commission (SEC); the Public Company Accounting Oversight Board (PCAOB); the Financial Accounting Standards Board (FASB); the Governmental Accounting Standards Board (GASB); the Cost Accounting Standards Board (CASB); the Federal Accounting Standards Advisory Board (FASAB); the U.S. Governmental Accountability Office (GAO); the Federal Office of Management and Budget (OMB); the Internal Revenue Service (IRS); the American Institute of Certified Public Accountants (AICPA), and federal, state, and local audit, regulatory and tax agencies.

Such standards include:

- (1) Statements on Auditing Standards and related Auditing Interpretations issued by the AICPA;
- (2) Statements on Standards for Accounting and Review Services and related Accounting and Review Services Interpretations issued by the AICPA;
- (3) Statements on Governmental Accounting and Financial Reporting Standards issued by GASB;
- (4) Statements on Standards for Attestation Engagements and related Attestation Engagements Interpretations issued by AICPA;
- (5) Statements of Financial Accounting Standards and Interpretations, and Staff Positions issued by FASB, together with those Accounting Research Bulletins and Accounting Principles Board Opinions which are not superseded by action of the FASB;
- (6) Statement on Standards for Consulting Services issued by the AICPA;
- (7) Statements on Quality Control Standards issued by the AICPA;
- (8) Statements on Standards for Tax Services and Interpretation of Statements on Standards for Tax Services issued by the AICPA;
- (9) Statements on Responsibilities in Personal Financial Planning Practice issued by the AICPA;
- (10) Statements on Standards for Litigation Services issued by the AICPA;
- (11) Professional Code of Conduct issued by the AICPA including interpretations and ethics rulings;
- (12) Governmental Auditing Standards issued by the U.S. Governmental Accountability Office;
- (13) AICPA Industry Audit and Accounting Guides;
- (14) SEC Rules, Concept Releases, Interpretative Releases, and Policy Statements;
- (15) Standards issued by the PCAOB; and
- (16) IRS Circular 230.

If the professional services are governed by standards not included in subsections (1) through (16) of this section, individuals and firms including persons qualifying for prac-

tice privileges under RCW 18.04.350(2) who offer or render professional services in this state or for clients located in this state and the firms rendering professional services in this state or for clients located in this state through such qualifying individuals must:

- (a) Maintain documentation of the justification for the departure from the standards listed in subsections (1) through (16) of this section;
- (b) Determine and document what standards are applicable; and
- (c) Demonstrate compliance with the applicable standards.

[Statutory Authority: RCW 18.04.055(2). 08-18-016, § 4-25-631, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-631, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-631, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055 (2) and (6). 00-11-071, § 4-25-631, filed 5/15/00, effective 6/30/00. Statutory Authority: RCW 18.04.055(6). 98-12-050, § 4-25-631, filed 5/29/98, effective 6/29/98. Statutory Authority: RCW 18.40.055 [18.04.055]. 93-22-046, § 4-25-631, filed 10/28/93, effective 11/28/93.]

**WAC 4-25-640 What are the requirements concerning records and clients confidential information?** (1) **Client:** The term "client" as used throughout this section includes former and current clients. For purposes of this section, a client relationship has been formed when confidential information has been disclosed by a prospective client in an initial interview to obtain or provide professional services.

(2) **Property of the licensee, CPA-Inactive certificateholder, and/or nonlicensee firm owner:** In the absence of an express agreement between a licensee, CPA-Inactive certificateholder, and/or nonlicensee firm owner and the client to the contrary, all statements, records, schedules, working papers, and memoranda made by a licensee incident to or in the course of professional service to clients, except reports submitted by a licensee, are the property of the licensee.

(3) **Sale or transfer of client records:** No statement, record, schedule, working paper, or memorandum, including electronic records, may be sold, transferred, or bequeathed without the consent of the client or his or her personal representative or assignee, to anyone other than one or more surviving partners, shareholders, or new partners or new shareholders of the licensee, partnership, limited liability company, or corporation, or any combined or merged partnership, limited liability company, or corporation, or successor in interest.

(4) **Confidential client communication or information:** Licensees, CPA-Inactive certificateholders, nonlicensee firm owners, or employees of such persons must not without the consent of the client or the heirs, successors or personal representatives of the client disclose any confidential communication or information pertaining to the client obtained in the course of performing professional services.

This rule does not:

- (a) Affect in any way the obligation of those persons to comply with a lawfully issued subpoena or summons;
- (b) Prohibit disclosures in the course of a quality review of a licensee's attest, compilation, or other reporting services governed by professional standards;
- (c) Preclude those persons from responding to any inquiry made by the board or any investigative or disciplinary

body established by local, state, or federal law or recognized by the board as a professional association; or

(d) Preclude a review of client information in conjunction with a prospective purchase, sale, or merger of all or part of the professional practice of public accounting of any such persons.

(5) **Client records:** Licensees, CPA-Inactive certificateholders, nonlicensee firm owners, and employees of such persons must furnish to their client or heirs, successors or personal representatives, upon request and reasonable notice:

(a) A copy of records, schedules, and electronic documents of those persons, to the extent that such records and schedules would ordinarily constitute part of the client's records and are not otherwise available to the client; and

(b) Any accounting or other records belonging to, or obtained from or on behalf of, the client, that the licensee, CPA-Inactive certificateholder, or nonlicensee firm owner, or employees of such persons removed from the client's premises or received for the client's account, including electronic documents; but such persons may make and retain copies of such documents of the client when they form the basis for the professional services offered or rendered by those persons.

(c) Licensees, CPA-Inactive certificateholders, nonlicensee firm owners, and/or employees of such persons must not refuse to return client records, including electronic documents, pending client payment of outstanding fees.

(6) **Audit and review record retention requirements:** For a period of seven years after a licensee concludes an audit or review such persons must retain the following records and documents, including electronic records unless hard copies of such exist:

(a) Records forming the basis of the audit or review;

(b) Records documenting audit or review procedures applied;

(c) Records documenting evidence obtained including financial data, analyses, conclusions, and opinions related to the audit or review engagement; and

(d) Records documenting conclusions reached by the licensee in the audit or review engagement.

[Statutory Authority: RCW 18.04.055(2), 18.04.390 (4)(b), 18.04.405(1), 08-18-016, § 4-25-640, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-640, filed 12/16/04, effective 1/31/05; 03-24-033, § 4-25-640, filed 11/25/03, effective 12/31/03. Statutory Authority: RCW 18.04.055(2), 02-22-082, § 4-25-640, filed 11/5/02, effective 12/31/02. Statutory Authority: RCW 18.04.055 [18.04.055]. 93-22-046, § 4-25-640, filed 10/28/93, effective 11/28/93.]

**WAC 4-25-650 What acts are considered discreditable?** Licensees, CPA-Inactive certificateholders, nonlicensee firm owners, and employees of such persons must not:

(1) Commit, or allow others to commit in their name, any act that reflects adversely on their fitness to represent themselves as a CPA, CPA-Inactive certificateholder, CPA firm, or a firm owner;

(2) Seek to obtain clients by the use of coercion, intimidation or harassing conduct; or

(3) Permit others to carry out on their behalf, either with or without compensation, acts which violate the rules of conduct.

[Statutory Authority: RCW 18.04.055(2), 08-18-016, § 4-25-650, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-650, filed 12/16/04, effective (2009 Ed.)

1/31/05; 01-22-036, § 4-25-650, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055. 93-22-090, § 4-25-650, filed 11/2/93, effective 12/3/93.]

**WAC 4-25-660 What are the limitations on advertising and other forms of solicitation?** Licensees, CPA-Inactive certificateholders, nonlicensee firm owners, and employees of such persons must not make false, fraudulent, misleading, deceptive or unfair statements or claims regarding their services. Examples of such statements or claims include, but are not limited to, statements or claims which:

(1) Contain a misrepresentation of fact;

(2) Fail to make full disclosure of relevant facts;

(3) Imply your professional services are of an exceptional quality, which is not supported by verifiable facts;

(4) Create false expectations of favorable results;

(5) Imply educational or professional attainments, specialty designations, or licensing recognition not supported in fact; or

(6) Represent that professional services will be performed for a stated fee when this is not the case, or do not disclose variables that may reasonably be expected to affect the fees that will be charged.

[Statutory Authority: RCW 18.04.055(2), 08-18-016, § 4-25-660, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-660, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-660, filed 1/31/02, effective 3/15/02; 00-11-072, § 4-25-660, filed 5/15/00, effective 6/30/00. Statutory Authority: RCW 18.04.055. 93-22-090, § 4-25-660, filed 11/2/93, effective 12/3/93.]

**WAC 4-25-661 What are the limitations regarding individual and firm names?** A firm name that does not consist of the name(s) of one or more present or former owners must be approved in advance by the board as not being deceptive or misleading.

Misleading or deceptive firm names are prohibited. The following are examples of misleading firm names. The board does not intend this listing to be all inclusive. The firm name:

(1) Implies it is a legal entity when it is not such an entity (as by the use of the designations "P.C.," "P.S.," "Inc. P.S.," or "L.L.C.");

(2) Implies the existence of a partnership when one does not exist;

(3) Includes the name of a person who is neither a present nor a past owner of the firm; or

(4) Implies educational or professional attainments, specialty designations, or licensing recognition not supported in fact.

A licensee may not operate under an alias, a firm name, title, or "DBA" that differs from the firm name that is registered with the board. A CPA or a CPA-Inactive certificateholder may not use the title in association with a name that is not registered with the board.

[Statutory Authority: RCW 18.04.055(4), (8) and 18.04.345(5), 05-01-137, § 4-25-661, filed 12/16/04, effective 1/31/05. Statutory Authority: RCW 18.04.055(8), 01-22-036, § 4-25-661, filed 10/30/01, effective 12/1/01; 00-11-073, § 4-25-661, filed 5/15/00, effective 6/30/00. Statutory Authority: RCW 18.04.055 [18.04.055]. 93-22-046, § 4-25-661, filed 10/28/93, effective 11/28/93.]

**WAC 4-25-670 What enforcement actions must be reported to the board?** (1) A licensee, CPA-Inactive certificateholder, or nonlicensee firm owner must notify the board,

in the manner prescribed by the board, within **thirty days** of the issuance of:

(a) A sanction, order, suspension, revocation, or modification of a license, certificate, permit or practice rights by the SEC, PCAOB, IRS, or another state board of accountancy for any cause other than failure to pay a professional license fee by the due date or failure to meet the continuing professional education requirements of another state board of accountancy; or

(b) Charges filed by the SEC, IRS, PCAOB, another state board of accountancy, or a federal or state taxing, insurance or securities regulatory body that the licensee, CPA-Inactive certificateholder, or nonlicensee firm owner committed a prohibited act that would be a violation of board ethical or technical standards.

(2) Individual licensees and sole proprietors are to report action pursuant to subsection (1) of this section taken against the individual's license and/or the license of the sole proprietorship.

(3) Licensed CPA firms with more than one licensed owner are not required to report on action taken against owners, principals, partners, or employees.

(4) If you hold a license or CPA-Inactive certificate issued through the foreign reciprocity provisions of the act, you must notify the board of any investigations undertaken, or sanctions imposed, by a foreign credentialing body against your foreign credential within thirty days of receiving notice that an investigation has begun or a sanction was imposed.

[Statutory Authority: RCW 18.04.195 (13)(b), 18.04.215 (9)(b). 08-18-016, § 4-25-670, filed 8/25/08, effective 9/25/08. Statutory Authority: RCW 18.04.195 (10)(b) and 18.04.215 (9)(b). 05-01-137, § 4-25-670, filed 12/16/04, effective 1/31/05; 03-24-033, § 4-25-670, filed 11/25/03, effective 12/31/03.]

## ENTRY REQUIREMENTS

**WAC 4-25-710 What are the education requirements to qualify to apply for the CPA examination?** (1) **Education requirements:** Effective July 1, 2000, to apply for the CPA examination you must have completed:

(a) At least one hundred fifty semester hours (two hundred twenty-five quarter hours) of college education, including

(b) A baccalaureate or higher degree; and

(c) An accounting concentration as defined as at least:

(i) Twenty-four semester hours (thirty-six quarter hours) or the equivalent in accounting subjects of which at least fifteen semester hours must be at the upper level or graduate level (an upper level course is defined as a course that frequently carries completion of a lower level course(s) as a prerequisite. For the purposes of meeting this subsection, individuals will be given 1.5 credits for each 1.0 graduate level credit of accounting courses taken; and

(ii) Twenty-four semester hours (thirty-six quarter hours) or the equivalent in business administration subjects at the undergraduate or graduate level.

(d) The board will not recognize accounting concentration credits awarded for "life experience" or similar activities retroactively evaluated and recognized by colleges or universities. This restriction is not intended to apply to internships prospectively approved by colleges or universities.

(2) **One hundred eighty-day provision:** If you expect to meet the education requirements of this section within one hundred eighty days following the examination, you will be eligible to take the CPA examination provided you submit, on a form provided by the board's designee, signed confirmation from the university that you are enrolled in stating that you will meet the board's education requirements within one hundred eighty days following the day you first sit for any one section of the examination. If you apply for the exam using the one hundred eighty-day provision, then within two hundred ten days of first sitting for any section of the exam, you must provide the board complete documentation demonstrating that you met the board's education requirements within one hundred eighty days of first sitting for any one section of the exam. If you do not provide such documentation within the required two hundred ten-day time period, your exam score(s) will not be released and you will not be given credit for any section(s) of the examination. Applicants failing to provide such documentation must reapply as a first-time applicant.

(3) **Education obtained outside the United States:** If you obtained all or a portion of your education outside the United States you must have your education evaluated by a board approved foreign education credential evaluation service. The board will establish the criteria for board approval of foreign education credential evaluation services. The board will not provide education credential evaluation services.

(4) **Semester versus quarter hours:** As used in these rules, a "semester hour" means the conventional college semester hour. Your quarter hours will be converted to semester hours by multiplying them by two-thirds.

(5) **Accreditation standards:** For purposes of this rule, the board will recognize colleges and universities which are accredited in accordance with (a) through (c) of this subsection.

(a) The accredited college or university must be accredited at the time your education was earned by virtue of membership in one of the following accrediting agencies:

(i) Middle States Association of College and Secondary Schools;

(ii) New England Association of Schools and Colleges;

(iii) North Central Association of Colleges and Secondary Schools;

(iv) Northwest Commission on Colleges and Universities (formerly the Northwest Association of Schools and Colleges);

(v) Southern Association of Colleges and Schools;

(vi) Western Association of Schools and Colleges; and

(vii) Accrediting Commission for Independent Colleges and Schools, or its predecessor, the Accrediting Commission of the Association of Independent Colleges and Schools.

(b) If an institution was not accredited at the time your education was earned but is so accredited at the time your application is filed with the board, the institution will be deemed to be accredited for the purpose of (a) of this subsection provided that it:

(i) Certifies that your total educational program would qualify the applicant for graduation with a baccalaureate degree during the time the institution has been accredited; and

(ii) Furnishes the board satisfactory proof, including college catalogue course numbers and descriptions, that the pre-accrediting courses used to qualify you for a concentration in accounting are substantially equivalent to postaccrediting courses.

(c) If your degree was received at an accredited college or university as defined by (a) or (b) of this subsection, but the educational program which was used to qualify you for a concentration in accounting included courses taken at nonaccredited institutions, either before or after graduation, such courses will be deemed to have been taken at the accredited institution from which your degree was received, provided the accredited institution either:

(i) Has accepted such courses by including them in its official transcript; or

(ii) Certifies to the board that it will accept such courses for credit toward graduation.

(6) **Alternative to accreditation:** If you graduated from a four-year degree-granting institution that was not accredited at the time your degree was received or at the time your application was filed, you will be deemed to be a graduate of a four-year accredited college or university if a credentials evaluation service approved by the board certifies that your degree is equivalent to a degree from an accredited college or university as defined in subsection (5) of this section. The board does not provide education credential evaluation services.

[Statutory Authority: RCW 18.04.055(5) and 18.04.105(1), 05-01-137, § 4-25-710, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-710, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055(5), 95-20-065, § 4-25-710, filed 10/3/95, effective 11/3/95; 93-12-071, § 4-25-710, filed 5/27/93, effective 7/1/93.]

**WAC 4-25-720 How do I apply to take the CPA examination? (1) Application form and due dates:** Your application to take the CPA examination must be made on a form provided by the board's designee and filed with the board's designee by the due date specified by the board on the application form. Applicants must submit all required documents to complete their application within sixty days of the date their application is received by the board's designee. Applicants are responsible for submitting all required documentation, application forms, and fees. Your application is not considered complete until all of the following are received by the board's designee:

- A fully completed application form;
- Fee(s);
- Proof that you have met the education requirements;
- Your proof of identity as determined by the board and specified on the application form;
- Other required supporting documents; and
- Proof from NASBA's National Candidate Data Base that you have not previously taken, or applied to take, the same section(s) of the exam during the current examination window.

(2) **Fee refund and forfeiture:** Upon submission of your application to the board's designee, no portion of the administrative fee is refundable. Upon the board's submission of your authorization to test to the National Association of State Boards of Accountancy, no portion of the total exam fee (both administrative fee and section fee(s)) is refundable. If

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you fail to meet the board's scheduling or admission requirements, you forfeit all of the exam fee(s) and you must reapply to take the section(s) of the exam.

(3) **Notice of admittance to the examination or denial of your application:** Notice of the denial of your application, or notice of your eligibility to take the examination will be sent to you by the board's designee. You will contact the approved test site to schedule the time and location for your examination. The notice of eligibility to take the examination is called a Notice to Schedule (NTS), the NTS will be valid for one taking of the examination within the six months following the date of the NTS.

(4) **Examination content:** The CPA examination shall test the knowledge and skills required for performance as an entry-level certified public accountant. The examination shall include the subject areas of accounting and auditing and related knowledge and skills as the board may require. The examination will consist of the following four sections: Auditing and attestation; financial, accounting and reporting; regulation; and business environment and concepts.

(5) **Examination, grading and conditioning:**

(a) **For examinations held prior to January 1, 2004:**

The board uses all parts of the uniform CPA examination and the advisory grading services of the American Institute of Certified Public Accountants. Seventy-five or better is a passing grade for each section of the examination. Each time you sit for the examination you must take all sections you have not previously passed. You are required to pass all sections of the examination in order to qualify for a license. If at a given sitting of the examination you pass two or more, but not all sections of the examination, then you will receive credit for those sections that you pass and you will not be required to take those sections again provided:

(i) You took all unpassed sections of the examination at that sitting;

(ii) You attained a minimum grade of fifty on each section of the examination not passed at that sitting;

(iii) You pass the remaining sections of the examination within six consecutive examinations given after the one at which the first sections were passed;

(iv) At each subsequent sitting you take all sections not yet passed and you attain a minimum grade of fifty on those sections taken but not passed at that sitting; and

(v) In order to receive credit for passing additional sections in a subsequent sitting you attain a minimum grade of fifty on sections taken but not passed at that sitting.

(b) **For examinations held after December 31, 2003:**

The board uses all parts of the uniform CPA examination and the advisory grading services of the American Institute of Certified Public Accountants.

(i) To qualify to apply for a license you must attain a score of seventy-five on all four sections of the examination.

(ii) You may take the required four sections individually and in any order. Credit for any section(s) taken and passed after December 31, 2003, will be valid for eighteen months from the actual date you took the passed section, without having to attain a minimum score on any failed section(s) and without regard to whether you have taken other sections.

(iii) You must pass all four sections of the examination within a rolling eighteen-month period, which begins on the date that the first section(s) is passed. When determining the

date that a section is passed the date that is used is the date that you took the exam section and not the date that your grade(s) is released.

(iv) You may not retake a failed section(s) in the same examination window. An examination window refers to a three-month period in which candidates have an opportunity to take the examination (comprised of two months in which the examination is available to be taken and one month in which the examination will not be offered while routine maintenance is performed and the item bank is refreshed).

(v) In the event you do not pass all four sections of the examination within the rolling eighteen-month period, credit for any section(s) passed prior to the eighteen-month period will expire and you must retake that section(s).

**(c) Transitioning for candidates obtaining conditional credits under the provisions of (a) of this subsection:**

(i) If you earned conditional credit(s) under the provisions of (a) of this subsection and as of February 15, 2004, those conditional credits remained valid under the provisions of (a) of this subsection, you will retain conditional credit for the corresponding sections of the examination as follows:

Examination section taken prior to January 1, 2004	Examination section taken after December 31, 2003
Auditing	Auditing and Attestation
Financial Accounting and Reporting (FARE)	Financial Accounting and Reporting
Accounting and Reporting (ARE)	Regulation
Business Law and Professional Responsibilities (LPR)	Business Environment and Concepts

(ii) If you qualify for conditional credit(s) for a section of the examination under (c)(i) of this subsection, you will lose the conditional credit(s) for the section unless you complete all remaining section(s) of the examination within the transition period which is the lesser of:

- The maximum number of testing opportunities that you had remaining to complete all sections of the examination under the provisions of (a) of this subsection; or
- The number of remaining testing opportunities you had remaining to complete all sections of the examination under the provisions of (a) of this subsection multiplied by six months.

(iii) If you do not pass all remaining sections during the transition period, the conditional credit for the section(s) you passed under the provision of (a) of this subsection will become invalid. Any section you pass after December 31, 2003, will be subject to the provisions of (b) of this subsection with the following exception:

- You will not lose conditional credit for any section passed during the transition period, even though more than eighteen months may have elapsed from the date the section is passed, until the end of your transition period.

(iv) You will retain credit for any and all sections of an examination passed in another state if credit would have been given under the Washington state requirements in effect on the date you took the examination.

(v) If you pass a section of the examination, the date you took the section of the examination is the date you receive credit for passing the section.

(6) **Ethics exam:** Upon passing the CPA examination, applicants for licensure are required to attain and demonstrate a passing grade of ninety percent or better on the AICPA professional code of conduct examination.

[Statutory Authority: RCW 18.04.105(2), 05-01-137, § 4-25-720, filed 12/16/04, effective 1/31/05; 03-17-041, § 4-25-720, filed 8/15/03, effective 9/30/03. Statutory Authority: RCW 18.04.055(5) and 18.04.105(2), 02-04-064, § 4-25-720, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055, 93-12-070, § 4-25-720, filed 5/27/93, effective 7/1/93.]

**WAC 4-25-721 What does the board consider to be cheating on the CPA examination, what actions may the board take if cheating is suspected, and what sanctions may the board impose if cheating occurs?** (1) Cheating includes, but is not limited to:

(a) Unauthorized communication with others inside or outside of the examination room while the examination is in progress;

(b) Substitution by a candidate of another person to sit in the test site and take the examination on behalf of the candidate;

(c) Referencing crib sheets, text books, or other unauthorized material or electronic media inside or outside the examination room while the examination is in progress;

(d) Copying or attempting to copy another candidate's answers;

(e) Disclosing or attempting to disclose examination questions and/or answers to others;

(f) Bringing unauthorized prohibited items into the examination site or possessing unauthorized prohibited items in the examination site;

(g) Retaking or attempting to retake a section by an individual who holds a license or who has unexpired credit for passing the section, unless the individual has been expressly authorized by the board to participate in a "secret shopper" program.

(2) Cheating on the CPA examination is dishonesty directly related to the professional responsibilities of a CPA and demonstrates a lack of good character. When determining appropriate sanctions for cheating, the board may impose one or more of the following penalties:

(a) Enter a failing grade for any or all parts of the candidate's examination;

(b) Bar a candidate from taking future examinations;

(c) Notify other jurisdictions of the board's conclusions and order;

(d) Fine up to thirty thousand dollars;

(e) Recovery of investigative and legal costs; or

(f) Referral to the appropriate law enforcement agency(ies) for prosecution.

(3) If a candidate is suspected of cheating, the board or its representative(s) may expel the candidate from the examination or move the candidate suspected of cheating to a position in the test center that is away from other examinees or where the candidate may be more closely observed. The board or its representatives may require a candidate suspected of cheating, or a candidate who may have observed cheating, to respond to board inquiry. The board may sched-

ule a hearing to determine the validity of the charge of cheating.

[Statutory Authority: RCW 18.04.105(2), 05-01-137, § 4-25-721, filed 12/16/04, effective 1/31/05; 03-17-042, § 4-25-721, filed 8/15/03, effective 9/30/03. Statutory Authority: RCW 18.04.055, 02-04-064, § 4-25-721, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055(11), 01-11-127, § 4-25-721, filed 5/22/01, effective 6/30/01. Statutory Authority: RCW 18.04.055, 93-12-069, § 4-25-721, filed 5/27/93, effective 7/1/93.]

**WAC 4-25-730 What are the experience requirements in order to obtain a CPA license?** Qualifying experience may be obtained through the practice of public accounting and/or employment in industry, academia, or government. Your experience may be obtained through one or more employers, with or without compensation, and may consist of a combination of full-time and part-time employment.

(1) Your experience must support the attainment of the competencies defined by subsection (2) of this section and:

- (a) Cover a minimum twelve-month period (this time period does not need to be consecutive);
- (b) Consist of a minimum of two thousand hours;
- (c) Be obtained through the use of accounting, attest, management advisory, financial advisory, tax, tax advisory or consulting skills;
- (d) Be verified by a licensed CPA as meeting the requirements identified in subsection (3) of this section; and
- (e) Unless you meet the requirements of subsection (4) of this section, be obtained no more than eight years prior to the date the board receives your complete license application.

(2) **Competencies:** The experience must support the attainment of the following competencies:

- (a) Understand the rules of professional conduct contained in chapter 4-25 WAC;
- (b) Assess the achievement of an entity's objectives;
- (c) Develop documentation and sufficient data to support analysis and conclusions;
- (d) Understand transaction streams and information systems;
- (e) Assess risk and design appropriate procedures;
- (f) Make decisions, solve problems, and think critically in the context of analysis; and
- (g) Communicate scope of work, findings and conclusions effectively.

(3) **Verifying CPA:** To verify a candidate's experience you must have held a valid CPA license to practice public accounting in Washington or another jurisdiction on the date that you verified the candidate's experience and also for a minimum of five years prior to verifying the candidate's experience. The five years do not need to be consecutive.

(4) **CPA-Inactive certificateholders applying for a license:** If you held a Washington state certificate on June 30, 2001, and you submit your application for a license by June 30, 2006, you may include experience obtained at any time during your lifetime.

(5) **Experience affidavit:** The applicant must verify that they have met the experience requirements of this section on the appropriate form(s) provided by the board. The verifying CPA must certify that the applicant's experience meets subsection (2) of this section.

(6) **Records retention:** Candidates must maintain documentation supporting the representations made on their

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experience affidavit for a minimum of three years after the date the candidate's initial license is issued by the board.

(7) **Audit:** The board may audit compliance with these experience requirements at any time during the three-year period following the date the candidate's initial license is issued.

[Statutory Authority: RCW 18.04.955(11) [18.04.055(11)] and 18.04.105 (1)(d), 05-01-137, § 4-25-730, filed 12/16/04, effective 1/31/05. Statutory Authority: RCW 18.04.055(11) and 18.04.105 (1)(d), 02-04-064, § 4-25-730, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.215, 01-03-011, § 4-25-730, filed 1/5/01, effective 6/30/01. Statutory Authority: RCW 18.04.055 and 18.04.215 (1)(a), 99-18-113, § 4-25-730, filed 9/1/99, effective 1/1/00. Statutory Authority: RCW 18.04.055, 93-12-068, § 4-25-730, filed 5/27/93, effective 7/1/93.]

**WAC 4-25-735 How does a CPA-Inactive certificateholder apply for licensure?** CPA-Inactive certificateholders are individuals who held a valid certificate on June 30, 2001, but did not hold a valid Washington state license to practice public accounting on that date. Individuals who did not hold a valid certificate on June 30, 2001 and licensees are not eligible for CPA-Inactive certificateholder status.

(1) If you are a CPA-Inactive certificateholder you:

- (a) May not "practice public accounting" as that term is defined in WAC 4-25-410;
- (b) Must meet the CPE requirements of WAC 4-25-830(1) and supporting documentation requirements of WAC 4-25-833;
- (c) Must comply with the act and board rules;
- (d) Must meet the renewal requirements of WAC 4-25-790; and
- (e) Must use the title CPA-Inactive and print or display the word "Inactive" immediately following the initials CPA or certified public accountant whenever the initials CPA or certified public accountant is printed on a business card, letterhead, or other document including documents published or transmitted through electronic media, in exactly the same font and font size as the initials CPA or certified public accountant.

(2) If you are a CPA-Inactive certificateholder, to qualify for licensure you must:

- (a) Meet the experience requirements of WAC 4-25-730 or have had an approved experience affidavit on file with the board on or before June 30, 2001; and
- (b) Meet the CPE requirements of WAC 4-25-830(5).
- (3) To apply for a license, you must submit to the board a certification that you meet the requirements of subsection (2) of this section and:

- (a) Have not held out in public practice during the time in which you were a CPA-Inactive certificateholder; and
- (b) Other required documentation or information deemed necessary by the board.

Board forms are available on the board's web site or upon request for your use.

(4) An initial application is not complete and cannot be processed until all fees, required information, required documentation, or other documentation or information the board may deem necessary is received by the board. When your application is approved, your license will be mailed to your address of record.

(5) Your CPE reporting period and your renewal cycle will remain the same.

(6) You may not use the title "CPA" or "Certified Public Accountant" until the date the approval of your license is posted in the board's licensee data base and, therefore, made publicly available for confirmation.

[Statutory Authority: RCW 18.04.055(12), 18.04.105(4), 08-18-016, § 4-25-735, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-735, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-735, filed 1/31/02, effective 3/15/02.]

**WAC 4-25-745 How do I apply for an initial individual CPA license?** (1) To qualify to apply for an initial license you must meet the:

- (a) Good character requirements of RCW 18.04.105 (1)(a);
- (b) Education requirements of WAC 4-25-710;
- (c) Examination requirements of WAC 4-25-720;
- (d) Experience requirements of WAC 4-25-730; and
- (e) If more than four years have lapsed since you passed the examination, you must meet the CPE requirements of WAC 4-25-830 (1)(a) within the thirty-six month period immediately preceding submission of your license application and must include four CPE hours in ethics meeting the requirements of WAC 4-25-830(3) which must be completed within the six month period immediately preceding submission of your license application.

(2) To apply for an initial license you must fully provide the information above.

Board form(s) are available on the board's web site or upon request for your use.

(3) Processing of your application cannot begin until all the required information, applicable fees, and required documentation or other documentation or information the board may deem necessary is received by the board. When the processing of your application is complete, your license will be mailed to your address of record with the board.

(4) Your initial license will expire on June 30 of the third calendar year following initial licensure.

(5) You may not use the title CPA until the date the approval of your license is posted in the board's licensee data base and, therefore, made publicly available for confirmation.

[Statutory Authority: RCW 18.04.055, 18.04.105(1), 18.04.215(1), 08-18-016, § 4-25-745, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-745, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-745, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055, 18.04.105 and 18.04.215, 99-18-115, § 4-25-745, filed 9/1/99, effective 1/1/00.]

**WAC 4-25-746 How do I apply for a Washington state CPA license if I hold a valid CPA license in another state?** Pursuant to RCW 18.04.180 and 18.04.215(6) the board may issue an individual license through interstate reciprocity if you hold a CPA license to practice public accounting issued by another state provided your state of licensure makes similar provisions for granting reciprocity to holders of a valid certificate or license in this state.

(1) To qualify to apply for an individual Washington state license entitling you to use the title CPA and/or offer or render compilation, or other professional services for which a report expressing assurance is prescribed by professional standards in Washington state under the interstate reciprocity provisions you must:

(a) Meet the good character requirements of RCW 18.04.105 (1)(a);

(b) Meet the CPE requirements in WAC 4-25-830; and

(c) You must have:

(i) Passed the examination required for issuance of your certificate or license in the other state with grades that would have been passing grades at that time in this state and:

(ii) Met all current requirements for licensure at the time you apply; or

(iii) Met, at the time of the issuance of your license in the other state, all the requirements applicable at that time to obtain a license in this state; or

(iv) Had five years of experience in the practice of public accounting within the ten years immediately preceding your filing an application for licensure in this state; or

(v) Had three years of experience in the practice of public accounting within the five years immediately preceding your filing an application for licensure in this state; or

(2) The board may accept NASBA's designation of the applicant as substantially equivalent to national standards as meeting the requirements of subsection (1)(c) of this section.

(3) To apply for a license under the reciprocity provisions you must submit to the board's office information that you are qualified for reciprocity as outlined in subsections (1) and (2) of this section, including a certification that you:

(a) Have not held out in public practice during any time prior to submitting your application unless expressly permitted by board rule then existing; and

(b) Have met the CPE requirements in WAC 4-25-830.

Board form(s) are available on the board's web site or upon request for your use.

(4) An initial application is not complete and cannot be processed until all fees, required information, required documentation, or other documentation or information the board may deem necessary is received by the board.

(5) At date of approval of your application, it will be posted in the board's licensee data base and, therefore, made publicly available for confirmation.

(6) Your license will be mailed to the address of record with the board provided at the time of your application, or subsequently changed by formal notice to the board.

(7) Provided no sanctions or investigations by other jurisdictions are in process and you have met the requirements for applying for licensure through interstate reciprocity, upon filing a completed application with the board, you may use the CPA title in Washington state.

(8) Your initial license will expire on June 30 of the third calendar year following initial licensure.

(9) You must notify the board within thirty days if your license or certificate issued by the other jurisdiction has lapsed or otherwise become invalid.

[Statutory Authority: RCW 18.04.180, 18.04.215(6), 08-18-016, § 4-25-746, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-746, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-746, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055, 18.04.180 and 18.04.215(3), 99-18-116, § 4-25-746, filed 9/1/99, effective 1/1/00.]

**WAC 4-25-747 Must an out-of-state individual holding a license from another state apply and obtain a Washington state license to hold out and practice in Washington state?** No. Out-of-state individuals holding valid

licenses to practice public accounting issued by a substantially equivalent state, may hold out and practice within Washington state and/or provide public accounting services in person, by mail, telephone, or electronic means to clients residing in Washington state without notice or payment of a fee.

As a condition of this privilege, the out-of-state individual is deemed to have consented to:

(1) The personal and subject matter jurisdiction and disciplinary authority of this state's board;

(2) Comply with the Public Accountancy Act of this state, chapter 18.04 RCW, and this board's rules, chapter 4-25 WAC;

(3) The appointment of the state board which issued the certificate or license as their agent upon whom process may be served in any action or proceeding by this state's board against the certificateholder or licensee;

(4) Render the following services for a client with a home office in this state only through a firm that has obtained a license from this state (RCW 18.04.195, 18.04.205 and WAC 4-25-750):

(a) Any audit or other engagement to be performed in accordance with the statements on auditing standards;

(b) Any examination of prospective financial information to be performed in accordance with the statements on standards for attestation engagements; and

(c) Any engagement to be performed in accordance with the public company accounting oversight board auditing standards.

(5) Not render any professional services in this state unless the out-of-state individual is licensed to render such services in the state of licensure upon which the privilege is contingent;

(6) Cease offering or performing professional services in this state, individually and/or on behalf of a firm, if the license from the state of the out-of-state individual's principal place of business is no longer valid; and

(7) Cease offering or performing specific professional services in this state, individually and/or on behalf of a firm, if the license from the state of the out-of-state individual's principal place of business is restricted from offering or performing such specific professional services.

[Statutory Authority: RCW 18.04.350 (2), (3), (4), (5). 08-18-016, § 4-25-747, filed 8/25/08, effective 9/25/08.]

**WAC 4-25-750 What are the CPA firm licensing requirements? (1) How may a CPA firm be organized?** A CPA firm may be organized as:

(a) A proprietorship;

(b) A partnership;

(c) A professional corporation (PC) or professional service corporation (PS);

(d) A limited liability company (LLC);

(e) A limited liability partnership (LLP); or

(f) Any other form of legal entity authorized by statute for use by a CPA firm.

(2) **What happens when a CPA firm alters its legal form?** A change in the legal form of a firm constitutes a new firm. Accordingly, the new entity must first obtain a CPA firm license from the board.

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(3) **What are the ownership requirements for a CPA firm?**

(a) All owners of a licensed CPA firm are required to:

(i) Fully comply with the provisions of chapter 18.04 RCW; and

(ii) Be subject to discipline by the board for violations of chapter 18.04 RCW or 4-25 WAC;

(b) A simple majority of the ownership of the licensed firm in terms of financial interests and voting rights of all partners, owners, or shareholders must be:

(i) Licensees in this state or holders of a valid license to practice public accountancy issued by another state;

(ii) Entitled to practice public accounting in Washington state; and

(iii) Principally employed by the corporation or actively engaged in its business.

(c) At least one general partner of a partnership, one shareholder of a corporation, and one member of a limited liability company must be a licensee.

(d) Each CPA proprietor, partner, shareholder or member who is either a resident or is entering the state and practicing public accountancy in this state must hold a valid Washington state license or practice privileges.

(e) The principal partner of the partnership and any partner having authority over issuing reports on financial statements must be a licensee under the act or holder of a valid license to practice public accountancy issued by another state and must be entitled to practice public accounting in this state.

(f) The principal officer of the corporation and any officer or director having authority over issuing reports on financial statements must be a licensee under the act or holder of a valid license to practice public accountancy issued by another state and must be entitled to practice public accountancy in this state.

(g) The managing member of a limited liability company and any member having authority over issuing reports on financial statements must be a licensee under the act or holder of a valid license to practice public accountancy issued by another state and must be entitled to practice public accountancy in this state.

(h) A nonresident CPA owner must be licensed to practice public accountancy in at least one state.

(i) A nonlicensee owner must:

(i) Be an individual;

(ii) Meet the good character requirements of RCW 18.04.105 (1)(a);

(iii) Comply with the act and board rules; and

(iv) Be an active individual participant in the licensed firm or affiliated entities as these terms are defined in WAC 4-25-410; and

(j) A resident nonlicensee firm owner must meet the requirements of WAC 4-25-752 and register with the board concurrent with submission of the firm license, or submission of an amendment to the firm license, to the board.

(4) **What are the requirements for the firm's main office and a branch office?** A firm's main office located in this state must be under the direct supervision of a resident licensee.

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A branch office is an office of a licensed CPA firm which is physically separated from the main office. A branch office operates under the license of the main office.

**(5) How does a firm apply for an initial firm license?**

To apply for an initial firm license an owner, or designee, must submit or, in the case of an out-of-state firm required to be licensed under RCW 18.04.195 (1)(a), an individual qualified for practice privileges in this state under RCW 18.04.350(2) who has been authorized by the applicant firm to make the application must submit the following information, all applicable fees, and such other information the board deems necessary to the board's office:

- (a) The firm name;
- (b) Address and telephone number of the main office and any branch offices of the firm;
- (c) Name of the managing licensee of the main office located and maintained in this state;
- (d) Resident licensee owners' names;
- (e) Name(s) of all nonlicensee owners; and
- (f) Type of legal organization under which the firm operates.

Board form(s) are available from the board's web site or upon request for your use.

An initial application is not complete and cannot be processed until all fees, required information described in subsection (5) of this section, or other documentation or information the board may deem necessary is received by the board. On the date the application is approved, the firm's license will be included in the board's licensee data base and, therefore, made publicly available for confirmation. Confirmation of the approval of the firm's license will be mailed to the address of record with the board provided at the time of the application, or subsequently changed by formal notice to the board.

The initial CPA firm license will expire on June 30 of the third calendar year following initial licensure.

**(6) How do I renew a CPA firm license?** To renew a CPA firm license an owner or designee or, in the case of an out-of-state firm required to be licensed under RCW 18.04.195 (1)(a), an individual qualified for practice privileges in this state under RCW 18.04.350(2) who has been authorized by the applicant firm to make the application, must submit the information described in subsection (5) of this section that is current at the date the renewal application is submitted to the board. A renewal application is not complete and cannot be processed until all fees, required information, and required documentation, and other documentation deemed necessary by the board are received by the board.

Board form(s) are available from the board's web site or upon request for your use. Failure to file a complete application for renewal of a firm license by April 30 of the year of expiration will result in late fees. The board may waive, reduce, or extend the due date of renewal and/or late fees based on reasonable cause including, but not limited to, financial hardship, critical illness, or active military deployment.

On the date the renewal application is approved, the firm's license will be included in the board's licensee data base and, therefore, made publicly available for confirmation. Confirmation of the validity of the renewed firm's license status will be mailed to the address of record with the

board provided at the time of the application, or subsequently changed by formal notice to the board.

The CPA firm license will expire on June 30 of the third calendar year following the date of renewal.

**(7) When and how must the firm notify the board of changes in the licensed firm?** An individual authorized by the firm must provide the board written notification and other documentation deemed necessary by the board within ninety days of any or all of the following occurrences:

- (a) Dissolution of the firm;
- (b) The occurrence of any event that would cause the firm to be in violation of RCW 18.04.195 or this rule; or
- (c) An event that requires an amendment to a firm license.

**(8) What events require a firm amendment?** An individual authorized by the firm must provide written notification to the board, by submitting the following information and the appropriate amendment fee, within ninety days of the following:

- (a) Admission or departure of an owner;
- (b) Any change in the name of the firm; or
- (c) Change in the resident managing licensee of the main office in this state.

**(9) How long do I have to correct noncompliance with licensure requirements due to a change in ownership or an owner's credentials?** An individual authorized by the firm must notify the board within ninety days of any change in ownership or lapse of an owner's license, certificate, registration or practice privilege that has caused the firm's license to be out of compliance with licensure requirements and must correct the noncompliance within ninety days of the lapse, unless the board grants a longer time period due to reasonable cause including, but not limited to, financial hardship, critical illness, or active military deployment.

[Statutory Authority: RCW 18.04.055(8), 18.04.195, 18.04.205. 08-18-016, § 4-25-750, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-750, filed 12/16/04, effective 1/31/05; 03-24-033, § 4-25-750, filed 11/25/03, effective 12/31/03; 02-04-064, § 4-25-750, filed 1/31/02, effective 3/15/02; 00-11-074, § 4-25-750, filed 5/15/00, effective 6/30/00. Statutory Authority: RCW 18.04.055(8) and 18.04.205(3). 99-18-117, § 4-25-750, filed 9/1/99, effective 1/1/00. Statutory Authority: RCW 18.04.055(3), 18.04.205(3) and 18.04.195. 96-12-061, § 4-25-750, filed 5/31/96, effective 7/1/96. Statutory Authority: RCW 18.04.055. 93-22-089, § 4-25-750, filed 11/2/93, effective 12/3/93.]

**WAC 4-25-752 How do I initially register to be a resident nonlicensee owner of a licensed firm and with which rules must a nonlicensee firm owner comply?** To qualify as a nonlicensee owner of a licensed firm, you must:

- (1) Be an individual;
- (2) Meet the good character requirements of RCW 18.04.105 (1)(a);
- (3) Comply with the act and board rules;
- (4) Be an active individual participant in the licensed firm or affiliated entities as these terms are defined in WAC 4-25-410; and
- (5) If you are a resident of Washington state, you must:
  - (a) File a complete registration with the board; and
  - (b) Demonstrate a passing grade of ninety percent or better on the AICPA professional ethics examination.

You must submit your registration concurrent with or prior to submission of the firm license application or firm license amendment, pursuant to WAC 4-25-750.

An initial registration is not complete and cannot be processed until all fees, required documentation, required information, and other information deemed necessary by the board are received by the board.

If you are a Washington state resident, you may not hold ownership interest in a CPA firm licensed in Washington state until you receive written notice from the board of your Washington state registration number. On the date the registration is approved, your registration number will be included in the board's licensee data base and, therefore, made publicly available for confirmation. Confirmation of the approval of your initial registration will be mailed to the address of record with the board provided at the time of the application, or subsequently changed by formal notice to the board.

Your initial registration will expire on June 30 of the third calendar year following initial issuance of the registration.

All nonlicensee firm owners are subject to discipline for violation of the act or board rules.

[Statutory Authority: RCW 18.04.055(13), 18.04.195 (11) and (12), 08-18-016, § 4-25-752, filed 8/25/08, effective 9/25/08. Statutory Authority: RCW 18.04.055(13) and 18.04.195(8), 02-04-064, § 4-25-752, filed 1/31/02, effective 3/15/02.]

**WAC 4-25-753 Must a firm holding a license from another state apply and obtain a Washington state license to hold out and practice in Washington state?** (1) A firm license must be obtained from the board if any of the following criteria apply:

(a) The firm has an office in this state and performs attest or compilation services for clients in this state;

(b) The firm has an office in this state and, by any means, represents the firm to the public that the firm is a firm of certified public accountants; or

(c) The firm is licensed in another state and performs the following services for clients with a home office in this state:

(i) Any audit or other engagement to be performed in accordance with the statements on auditing standards;

(ii) Any examination of prospective financial information to be performed in accordance with the statements on standards for attestation engagements; and

(iii) Any engagement to be performed in accordance with the public company accounting oversight board auditing standards.

(2) A firm license is not required to perform other professional services in this state, including compilation, review and other services for which reporting requirements are provided in professional standards, if the firm complies with the following:

(a) The firm performs such services through individuals with practice privileges under RCW 18.04.350(2) and WAC 4-25-747 or reciprocal license under RCW 18.04.180 and 18.04.183 and board rules;

(b) The firm is licensed to perform such services in the state in which the individuals with practice privileges have their principal place of business; and

(c) The firm meets the board's quality assurance program requirements, when applicable.

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(3) As a condition of this privilege, the nonresident firm is deemed to have consented to:

(a) The personal and subject matter jurisdiction and disciplinary authority of this state's board;

(b) Comply with the Public Accountancy Act of this state, chapter 18.04 RCW, and this board's rules, chapter 4-25 WAC;

(c) Cease offering or rendering professional services in this state through a specific individual or individuals if the license(s) of the individual(s) through whom the services are offered or rendered becomes invalid;

(d) Cease offering or rendering specific professional services in this state through an individual or individuals if the license(s) from the state(s) of the principal place of business of such individual(s) is restricted from offering or performing such specific professional services;

(e) The appointment of the state board which issued the firm license as their agent upon whom process may be served in any action or proceeding by this state's board against firm licensee;

(f) Not render those services described in subsection (1)(c) of this section for a client with a home office in this state unless the firm that has obtained a license from this state (RCW 18.04.195 and 18.04.295) and this section; and

(g) Not render any professional services in this state through out-of-state individual(s) who are not licensed to render such services by the state(s) in which the principal place of business of such individual(s) is (are) located.

[Statutory Authority: RCW 18.04.055(8), 18.04.195, 08-18-016, § 4-25-753, filed 8/25/08, effective 9/25/08.]

**WAC 4-25-781 What are the rules governing reciprocity for accountants from foreign countries?** (1) Under the authority provided by RCW 18.04.183, the board may rely on the National Association of State Boards of Accountancy, the American Institute of Certified Public Accountants, or other professional bodies for evaluation of foreign accounting credential equivalency.

(2) Your foreign accounting credential may be accepted in partial satisfaction of licensing requirements if:

(a) You met the foreign issuing body's education, examination, and ethical requirements used to qualify its domestic candidates;

(b) Your foreign accounting credential is valid and in good standing at the time you apply for a Washington state license; and

(c) The foreign issuing body granting your foreign accounting credential permits Washington CPAs an equivalent opportunity to receive the foreign accounting credential by reciprocity.

(d) You demonstrate satisfactory experience in a foreign or domestic professional accounting firm. The board will, by policy, specify experience standards for each foreign accounting credential accepted by the board.

The board will, by policy, identify acceptable foreign accounting credentials and acknowledge reciprocal agreements with bodies granting foreign accounting credentials.

(3) The board may require a qualifying examination(s) to determine if you possess adequate knowledge of U.S. practice standards and the board's regulations. The board will, by

policy, specify the form of qualifying examination(s) and passing grade(s).

(4) You must meet the CPE requirements of WAC 4-25-830.

(5) If you hold a Washington state CPA license or certificate issued through the foreign reciprocity provisions of the act, you must notify the board of any investigations undertaken, or sanctions imposed, by a foreign credentialing body against your foreign credential within thirty days of your receiving notice that an investigation has begun or a sanction was imposed.

(6) If you hold a Washington state license or certificate issued through the foreign reciprocity provisions of the act, you must notify the board within thirty days if your foreign license, permit, or certificate has lapsed or otherwise becomes invalid.

[Statutory Authority: RCW 18.04.183. 01-22-036, § 4-25-781, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055 and 18.04.183. 00-11-076, § 4-25-781, filed 5/15/00, effective 6/30/00.]

**WAC 4-25-782 How do I apply for an initial Washington state license through foreign reciprocity?** Pursuant to RCW 18.04.183 the board may issue a license through foreign reciprocity provided you meet the requirements for application through foreign reciprocity established by the act, WAC 4-25-781 and 4-25-830(7).

To apply for an initial Washington state CPA license, you must use the foreign reciprocity application form(s) provided by the board.

You need to fully complete the form(s), and submit the form(s), all applicable fees, required information, required documentation, or other documentation deemed necessary by the board to the board's office.

An application is not complete and cannot be processed until all fees, required information, required documentation, or other documentation deemed necessary by the board are received by the board. When the processing of your application is complete, your license will be mailed to the last address you provided to the board.

Your Washington state CPA license will expire on June 30 of the third calendar year following initial licensure.

You may not use the title CPA until you have received notice from the board that your Washington state license has been approved.

[Statutory Authority: RCW 18.04.183. 09-01-166, § 4-25-782, filed 12/23/08, effective 1/23/09; 05-01-135, § 4-25-782, filed 12/16/04, effective 1/31/05; 01-22-036, § 4-25-782, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055 and 18.04.183. 00-11-076, § 4-25-782, filed 5/15/00, effective 6/30/00.]

**WAC 4-25-783 How do I renew a Washington CPA-Inactive certificate and/or license granted through foreign reciprocity?** In January of the year of expiration, a renewal form will be mailed to the last address you provided to the board.

To renew your individual license or CPA-Inactive certificate originally granted through foreign reciprocity, you must submit to the board by April 30th of the year of expiration:

(1) A completed renewal application form including:

(a) Your certification that you have complied with the CPE requirements of WAC 4-25-830(1) and the supporting documentation requirements of WAC 4-25-833; and

(b) Documentation from the foreign issuing body certifying:

(i) Your foreign credential is in good standing and valid for the practice of public accountancy in the foreign jurisdiction; and

(ii) You are not currently under disciplinary investigation or action; or

(iii) If you are currently under disciplinary investigation or action, a statement as to the nature of the allegations; and

(c) If you no longer hold the foreign credential used to qualify for a Washington state CPA license and/or certificate, you must submit documentation from the foreign issuing body certifying that you were not the subject of any investigations or disciplinary proceedings at the time the foreign credential lapsed.

(2) All applicable fees; and

(3) All required documentation.

A renewal application is not complete and cannot be processed until all fees, required information, required documentation, or other documentation deemed necessary by the board is received by the board. Upon completion of processing, your individual license or confirmation of your CPA-Inactive certificate renewal will be mailed to the last address you provided to the board.

An individual license or CPA-Inactive certificate renewal expires on June 30 of the third calendar year following the renewal.

Failure to file a complete application for an individual license or CPA-Inactive certificate renewal by April 30 of the year of expiration will result in late fees. The board may waive, reduce, or extend the due date of renewal and/or late fees based on individual hardship.

If you fail to file a complete application for individual license or CPA-Inactive certificate renewal by June 30 of the year of expiration, your individual license or CPA-Inactive certificate will lapse.

If you are a CPA-Inactive certificateholder and are renewing your CPA-Inactive certificate, as a CPA-Inactive you are prohibited from using the title CPA or certified public accountant. You are prohibited from practicing public accountancy. You must use the title CPA-Inactive and print or display the word "Inactive" immediately following the title CPA or certified public accountant whenever the initials CPA or certified public accountant is printed on a business card, letterhead, or other document including documents published or transmitted through electronic media, in exactly the same font and font size as the title CPA or certified public accountant.

If your individual license or CPA-Inactive certificate has lapsed, you may not use the title CPA or CPA-Inactive.

[Statutory Authority: RCW 18.04.183 and 18.04.215(2). 05-01-137, § 4-25-783, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-783, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055 and 18.04.183. 00-11-076, § 4-25-783, filed 5/15/00, effective 6/30/00.]

**WAC 4-25-790 How do I renew my individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?** To renew your individual

license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner, you must use the form(s) provided by the board and satisfy CPE requirements in WAC 4-25-830(1). In January of the year of expiration, a renewal form will be mailed to the last address you provided to the board.

To renew your individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner, you must submit to the board by April 30th of the year of expiration:

(1) A complete renewal form including:

(a) Your certification that you have complied with the CPE requirements of WAC 4-25-830(1) and the supporting documentation requirements of WAC 4-25-833; and

(b) A listing of all states and foreign jurisdictions in which you hold or have applied for a license, certificate, or permit to practice;

(2) All applicable fees; and

(3) All required documentation, required information, and other documentation deemed necessary by the board.

A licensee may not renew as a CPA-Inactive certificate-holder.

A renewal form is not complete and cannot be processed until all fees, required information, required documentation, and other documentation deemed necessary by the board are received by the board. Upon completion of processing, confirmation of your individual license, CPA-Inactive certificate renewal, or registration as a resident nonlicensee firm owner will be mailed to the last address you provided to the board.

An individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner renewal expires on June 30 of the third calendar year following the renewal.

Failure to file a complete renewal form for an individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner by April 30 of the year of expiration will result in late fees. The board may waive, reduce, or extend the due date of renewal and/or late fees based on individual hardship including, but not limited to, financial hardship, critical illness, or active military deployment.

If you fail to file a complete renewal form for an individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner by June 30 of the year of expiration your individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner will lapse.

If your individual license has lapsed, you may not use the title CPA or exercise other privileges that are dependent upon the renewal of the license.

If your CPA-Inactive certificate has lapsed, you may not use the title CPA-Inactive or exercise other privileges that are dependent upon the renewal of the certificate.

[Statutory Authority: RCW 18.04.215 (2), (4). 05-01-137, § 4-25-790, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-790, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.105 and 18.04.215. 99-18-120, § 4-25-790, filed 9/1/99, effective 1/1/00.]

**WAC 4-25-791 I am a CPA-Inactive certificate-holder—Prior to July 1, 2001, I held a license—How do I apply to return to my previous status as a licensee?** CPA-Inactive certificateholders who held a license at any time prior to July 1, 2001, may apply to return to their previous status as a licensee. If you are a CPA-Inactive certificate-holder, you may not use the title "CPA" or "Certified Public

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Accountant" until you return to your previous status as a licensee.

If you hold a valid CPA-Inactive certificate, to apply to return to your previously held status as a licensee, you must use the form provided by the board and satisfy CPE requirements in WAC 4-25-830(5). An application is not complete and cannot be processed until all required information, required documentation, and other documentation deemed necessary by the board are received by the board.

To apply to return to your previous status as a licensee you must submit to the board:

(1) A complete application form including your certification, under the penalty of perjury, that you have:

(a) Not held out in public practice during the time in which you were a CPA-Inactive certificateholder; and

(b) Met the CPE requirements of WAC 4-25-830(5);

(2) Other required documentation, required information, and other documentation deemed necessary by the board.

Upon approval of your application, your license will be mailed to the last address you provided to the board.

You may not use the title CPA until you receive notice from the board that your CPA license has been approved.

[Statutory Authority: RCW 18.04.215(2). 09-01-166, § 4-25-791, filed 12/23/08, effective 1/23/09. Statutory Authority: RCW 18.04.215 (2), (4). 05-01-137, § 4-25-791, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-791, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.-055(11) and 18.04.215 (2), (4). 99-18-121, § 4-25-791, filed 9/1/99, effective 1/1/00.]

**WAC 4-25-792 How do I reinstate a lapsed individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?** If your individual license or CPA-Inactive certificate has lapsed, you may not use the title CPA or CPA-Inactive until your individual license or CPA-Inactive certificate is reinstated by the board.

Individuals who held a valid license on June 30, 2001, and individuals obtaining a license after June 30, 2001, are not eligible to reinstate as CPA-Inactive certificateholders.

If your registration as a resident nonlicensee firm owner has lapsed, you may not be an owner of a CPA firm until your registration is reinstated by the board.

To reinstate a lapsed individual license, CPA-Inactive certificate, or registration as a nonlicensee firm owner you must use the form provided by the board and satisfy CPE requirements in WAC 4-25-830(6). An application is not complete and cannot be processed until all fees, required information, required documentation, and other documentation deemed necessary by the board are received by the board.

To reinstate, you must submit to the board:

(1) A complete reinstatement form including your certification, under the penalty of perjury, that you have:

(a) *For those who wish to reinstate a license or CPA-Inactive certificate:* Not used the title CPA or CPA-Inactive during the time in which your individual license or CPA-Inactive certificate was lapsed; or

(b) *For those who wish to reinstate a registration as a resident nonlicensee firm owner:* Not participated as an owner in a CPA firm during the time in which your registration as a resident nonlicensee firm owner was suspended or revoked; and

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(c) Met the CPE requirements for reinstatement in WAC 4-25-830(6); and

(d) Met the CPE supporting documentation requirements in WAC 4-25-833;

(2) Source documents as evidence of eligibility for CPE credit for all courses claimed in order to meet CPE requirements as defined by WAC 4-25-833;

(3) A listing of all states and foreign jurisdictions in which you hold or have applied for a license, certificate, or practice privileges;

(4) All applicable fees; and

(5) Other required documents, required information, and other documentation deemed necessary by the board.

Upon approval of your reinstatement, notice that your license, registration as a resident nonlicensee firm owner, or CPA-Inactive certification has been reinstated will be mailed to the last address you provided to the board. Your license, CPA-Inactive certificate, or registration as a nonlicensee firm owner will expire on June 30th of the third calendar year following approval of the reinstatement. The CPE reporting period for your next renewal begins on January 1 of the calendar year in which the reinstatement of your license, CPA-Inactive certificate, or registration as a nonlicensee firm owner was approved by the board and ends on December 31 of the second calendar year following approval of the reinstatement. CPE credit hours utilized to qualify for reinstatement cannot be utilized for this CPE reporting period.

You may not use the title CPA or CPA-Inactive until your reinstatement application has been approved.

[Statutory Authority: RCW 18.04.215(2). 09-01-166, § 4-25-792, filed 12/23/08, effective 1/23/09. Statutory Authority: RCW 18.04.215 (2), (4). 05-01-137, § 4-25-792, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-792, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.-055(11) and 18.04.215 (2), (4). 99-18-122, § 4-25-792, filed 9/1/99, effective 1/1/00.]

**WAC 4-25-793 If I retire my license or CPA-Inactive certificate, how do I apply to return to my previous status as a licensee or a CPA-Inactive certificateholder?** If you notified the board that you wish to retire your license or CPA-Inactive certificate prior to the end of your renewal cycle, pursuant to RCW 18.04.215(7), you may renew your license or CPA-Inactive certificate at a later date and are not subject to the requirements of reinstatement; however, you may not use the title CPA or CPA-Inactive or exercise the privileges related to those titles until you return to your previous status.

To apply to return to your previously held status as either a licensee or a CPA-Inactive certificateholder you must use the form(s) provided by the board and satisfy CPE requirements in WAC 4-25-830(4). An application is not complete and cannot be processed until all fees, required information, required documentation, or other documentation deemed necessary by the board are received by the board.

If you previously held a license, you are not eligible to apply for CPA-Inactive certificateholder status.

To apply to return to your previous status, you must submit to the board:

(1) A complete application form including your certification, under the penalty of perjury, that you have:

(a) Not used the title CPA or CPA-Inactive during the time in which your license or CPA-Inactive certificate was retired; and

(b) Met the CPE requirements to return to your previous status in WAC 4-25-830(4);

(2) All applicable fees; and

(3) Other required documentation, required information, or other documentation deemed necessary by the board.

Upon approval of your application, your license or notification of your status as a CPA-Inactive certificateholder will be mailed to the last address you provided to the board. Your license or CPA-Inactive certificate will expire on June 30th of the third calendar year following approval of the renewal. The CPE reporting period for your next renewal begins on January 1 of the calendar year in which the renewal of your retired license or CPA-Inactive certificate was approved by the board and ends on December 31 of the second calendar year following approval of the renewal. CPE credit hours utilized to qualify for renewal of a retired license or CPA-Inactive certificate cannot be utilized for this CPE reporting period.

You may not use the title CPA or CPA-Inactive until your renewal application has been approved.

[Statutory Authority: RCW 18.04.215(7). 09-01-166, § 4-25-793, filed 12/23/08, effective 1/23/09; 05-01-137, § 4-25-793, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-793, filed 1/31/02, effective 3/15/02.]

**WAC 4-25-795 How do I reinstate a revoked or suspended license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?** If your license or CPA-Inactive certificate was revoked or suspended by the board pursuant to the act, you may not use the title CPA or CPA-Inactive until your license or CPA-Inactive certificate is reinstated by the board.

If your registration as a resident nonlicensee firm owner was revoked or suspended by the board pursuant to the act, you may not be a firm owner until your registration is reinstated by the board.

You may request that the board modify the suspension or revocation after three years have elapsed from the effective date of the board's order revoking or suspending your license or CPA-Inactive certificate unless the board sets some other period by order. However, if you made a previous request with respect to the same order, no additional request will be considered before the lapse of an additional three years following the board's decision on the last such previous application.

To request reinstatement of a revoked or suspended license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner you must use the form provided by the board and satisfy CPE requirements in WAC 4-25-830(6). A request is not complete and cannot be processed until all fees, required information, required documentation, and other documentation deemed necessary by the board are received by the board.

To request reinstatement, you must submit to the board:

(1) A complete reinstatement form including your certification under the penalty of perjury, that you have:

(a) *For those who wish to reinstate a license or CPA-Inactive certificate:* Not used the title CPA during the time in

which your license or CPA-Inactive certificate was suspended or revoked; or

(b) *For those who wish to reinstate a registration as a resident nonlicensee firm owner:* Not participated as an owner in a CPA firm during the time in which your registration as a resident nonlicensee firm owner was suspended or revoked; and

(c) Met the CPE requirements for reinstatement in WAC 4-25-830(6); and

(d) Met the CPE supporting documentation requirements in WAC 4-25-833;

(2) A listing of all states and foreign jurisdictions in which you hold or have applied for a license, CPA-Inactive certificate, permit, or practice privilege under substantial equivalence;

(3) All applicable fees;

(4) Source documents as evidence of eligibility for CPE credit for all courses claimed in order to meet CPE requirements as defined by WAC 4-25-833;

(5) Written substantiation of the reasons constituting good cause for the reinstatement;

(6) Two supporting recommendations, under penalty of perjury, from licensees who have personal knowledge of your activities since the suspension or revocation was imposed; and

(7) Other required documentation, required information, and other documentation deemed necessary by the board.

In considering the reinstatement application, the board may consider all relevant factors, including but not limited to:

(a) The offense for which you were disciplined;

(b) Your activities since the disciplinary penalty was imposed;

(c) Your activities during the time the license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner was in good standing;

(d) Your rehabilitative efforts;

(e) Restitution to damaged parties in the matter for which the penalty was imposed; and

(f) Your general reputation for truth and professional ethics.

If the board decides to consider the merits of your application for reinstatement, in the board's discretion, a hearing may be held following such procedures as the board deems suitable for the particular case. If the board decides that it will not consider the merits of your application for reinstatement, then this constitutes final agency action and there is no further administrative review available to you. As a condition of reinstatement, the board may impose such terms and conditions as it deems suitable.

The board will not consider a request for reinstatement while you are under sentence for any criminal offense, including any period during which you are on court-imposed probation or parole.

Upon approval of your application, your license, notification of your status as a CPA-Inactive certificateholder, or registration as a resident nonlicensee firm owner will be mailed to the last address you provided to the board. Your license, CPA-Inactive certificate, or registration will expire on June 30th of the third calendar year following approval of the reinstatement. The CPE reporting period for your next renewal begins on January 1 of the calendar year in which the

reinstatement of your license, CPA-Inactive certificate, or registration was approved by the board and ends on December 31 of the second calendar year following approval of the reinstatement. CPE credit hours utilized to qualify for reinstatement of a license, CPA-Inactive certificate, or registration cannot be utilized for this CPE reporting period.

You may not use the title CPA or CPA-Inactive until your reinstatement application has been approved.

[Statutory Authority: RCW 18.04.215(2), 18.04.335. 09-01-166, § 4-25-795, filed 12/23/08, effective 1/23/09. Statutory Authority: RCW 18.04.-215(2), 18.04.335, and 34.05.220. 05-01-137, § 4-25-795, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-795, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055(11), 18.04.335 and 34.05.220. 99-18-123, § 4-25-795, filed 9/1/99, effective 1/1/00.]

## CONTINUING COMPETENCY

**WAC 4-25-820 What are the requirements for participating in quality assurance review (QAR)?** (1) **Purpose.** The Washington state board of accountancy is charged with protection of the public interest and ensuring the dependability of information used for guidance in financial transactions or for accounting for or assessing the status or performance of commercial and noncommercial enterprises, whether public, private or governmental. The purpose of the QAR program is to monitor licensees' compliance with audit, compilation, review, and other attestation standards.

(2) Out-of-state firms otherwise qualified for practice privileges under RCW 18.04.195 (1)(b) are responsible for compliance with this section. These firms are exempt from the registration requirements set forth in this section.

### (3) Structure and implementation.

(a) The board will annually appoint a quality assurance review committee to perform the following functions:

(i) Review of financial statements and the reports of licensees thereon to assess their compliance with applicable professional standards;

(ii) Review of licensees' reports and information covered by those reports for conformity with applicable professional standards;

(iii) Improvement of reporting practices of licensees through education and rehabilitative measures; and

(iv) Such other functions as the board may assign to the committee.

(b) Once every three years the board requires a licensed firm with an office in this state to participate in the board's quality assurance review program. Participating firms will be required to submit a quality assurance review status form, along with the appropriate fee, by the following April 30th. Failure to submit a complete quality assurance review status form postmarked by the April 30th due date, will result in the assessment of late fees. The board may waive late fees based on individual hardship including, but not limited to, financial hardship, critical illness, or active military deployment.

(c) Each participating firm shall submit, for each of its offices, one licensee report and the information covered by that report, for each of the following types of service or any other service the board determines:

(i) Compilation report on historical financial statements;

(ii) Review report on historical financial statements;

(iii) Audit report on historical financial statements;

(iv) Agreed-upon procedures;

- (v) Forecasts;
- (vi) Internal controls;
- (vii) Performance audits; and
- (viii) Projections.

(d) A participating firm shall select these reports from all reports prepared during the twelve months preceding the date of board request or, if no reports have been issued within the last twelve months, from all reports during the preceding three years.

(e) If reports issued by all offices of a firm are reviewed and issued in a controlled, centralized process, only one each of the type of licensee reports, including the information covered by the reports, specified above need be submitted by the firm as a whole.

(f) The board may exempt from the requirement of (c) of this subsection any firm that has participated in a board-approved peer review program within the three years immediately preceding the date of board request.

(g) Firms requesting exemption must submit a copy of an unmodified report, letter of comments, response to letter of comments, if applicable, and letter of acceptance from the reviewing organization. Firms that receive modified peer review reports may request exemption, but must submit copies of such reports and related correspondence, at the discretion of the board, for consideration on an individual basis.

(h) Any documents submitted in accordance with (c) of this subsection may have the name of the client, the client's address, and other identifying factors omitted, provided that the omission does not render the type or nature of the entity undeterminable. Dates may not be omitted.

(i) Reports submitted to the committee pursuant to (c) of this subsection and comments of reviewers, the committee and the board on such reports or workpapers relating thereto, shall also be preserved in confidence except to the extent that they are communicated by the board to the licensees who issued the reports or disclosure is required under administrative procedure rules or by direction of a court of law.

(j) The committee's review of the licensee reports and other information covered by those reports shall be directed toward the following:

(i) Presentation of the financial statements covered by the licensee reports and/or other information covered by those reports in conformity with applicable professional standards for presentation and disclosure;

(ii) Compliance by licensees with applicable reporting standards; and

(iii) Compliance by licensees with the rules of the board and other regulations relating to the practice of public accounting.

(4) If the board determines that a report and/or other information covered by the report referred to the board by the committee is substandard or seriously questionable with respect to applicable professional standards, the board may take one or more of the following actions:

(a) Send the licensee a letter of comment detailing the perceived deficiencies and require the licensee to develop quality control procedures to ensure that similar occurrences will not occur in the future;

(b) Require any licensee who had responsibility for issuance of a report, or who substantially participated in preparation of the report and/or related workpapers, to successfully

complete specific courses or types of continuing education as specified by the board;

(c) Require that the licensee responsible for a substandard report submit all or specified categories of its reports to a preissuance review in a manner and for a duration prescribed by the board. The cost of the preissuance review will be at the firm's expense;

(d) Require the licensee responsible for a substandard report to submit to a peer review conducted in accordance with standards acceptable to the board. The cost of the peer review will be at the licensee's expense;

(e) Require the licensee responsible for substandard work to submit to on-site field review or other investigative procedures of work product and practices by board representatives in order to assess the degree or pervasiveness of substandard work. The board may assess the costs of such field review or procedures to the licensee if the results of such investigative efforts substantiate the existence of substandard work product;

(f) Initiate an investigation pursuant to RCW 18.04.295, 18.04.305, and/or 18.04.320.

(5) The board may solicit and review licensee reports and/or other information covered by the reports from clients, public agencies, banks, and other users of such information.

[Statutory Authority: RCW 18.04.055(9), 08-18-016, § 4-25-820, filed 8/25/08, effective 9/25/08; 07-14-036, § 4-25-820, filed 6/26/07, effective 7/27/07; 05-01-135, § 4-25-820, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-820, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055, 94-02-071, § 4-25-820, filed 1/4/94, effective 2/4/94.]

**WAC 4-25-830 What are the CPE requirements for individuals?** (1) The following CPE is required for individuals during the three calendar year period prior to renewal:

(a) An individual licensed to practice in this state must complete 120 CPE credit hours which is limited to 24 CPE credit hours in nontechnical subject areas and must include 4 CPE credit hours in ethics meeting the requirements of subsection (3) of this section;

(b) A CPA-Inactive certificateholder or a resident non-licensee firm owner must complete 4 CPE credit hours in ethics meeting the requirements of subsection (3) of this section; and

(c) Individuals holding practice privileges are exempt from the CPE requirements of this section.

**(2) CPE requirements for renewal of a license that was issued less than three years before the end of a CPA-Inactive certificate renewal cycle:** When you convert your status from a CPA-Inactive certificateholder to a licensee, your CPE reporting period (the three calendar year period prior to renewal) and renewal cycle will remain the same. The CPE requirements for renewal are as follows:

(a) If your license was issued during the first calendar year of your CPE reporting period, you must have completed 80 CPE credit hours which is limited to 16 CPE credit hours in nontechnical subject areas and must include 4 CPE credit hours in ethics meeting the requirements of subsection (3) of this section.

(b) If your license was issued during the second calendar year of your CPE reporting period, you must have completed 40 CPE credit hours which is limited to 8 CPE credit hours in nontechnical subject areas and must include 4 CPE credit

hours in ethics meeting the requirements of subsection (3) of this section.

(c) If your license was issued during the third calendar year of your CPE reporting period, you must have completed 4 CPE credit hours in ethics meeting the requirements of subsection (3) of this section.

**(3) Ethics and regulations applicable to practice in Washington state:** During each CPE reporting period all individuals licensed in this state, individual CPA-Inactive certificateholders in this state, and resident nonlicensee firm owners are required to complete 4 CPE credit hours in approved ethics and regulations with specific application to the practice of public accounting in Washington state. In order to be approved by the board, the CPE sponsor or instructor must submit documentation associated with the ethics and regulations CPE to the board for approval and the sponsor or instructor must obtain written approval from the board. The ethics and regulations CPE must cover all of the following topics, and the ethics and regulations CPE must substantially address these topics:

(a) Chapter 18.04 RCW and chapter 4-25 WAC. The CPE must include general level information on the Public Accountancy Act, the board's rules, policies, and the rule-making process.

(b) WAC 4-25-521 How can I contact the board?

(c) WAC 4-25-550 Do I need to notify the board if I change my address?

(d) WAC 4-25-551 Must I respond to inquiries from the board?

(e) WAC 4-25-600 Series—Ethics and prohibited practices. The CPE must include detailed information on each rule and all related board policies.

(f) WAC 4-25-800 Series—Continuing competency. The CPE must include detailed information on each rule and all related board policies.

(g) WAC 4-25-910 What are the bases for the board to impose discipline?

(h) AICPA Code of Conduct: The CPE must include general level information on the AICPA Code of Conduct.

(i) Variances or key differences between Washington state law (chapter 18.04 RCW and chapter 4-25 WAC) and the AICPA Code of Conduct.

(j) Other topics or information as defined by board policy.

**(4) CPE requirements to renew a retired license or CPA-Inactive certificate:**

(a) In order to renew a retired license you must meet the CPE requirements of subsection (1)(a) of this section within the thirty-six month period immediately preceding the date the renewal application is received by the board; however, the four CPE hours in ethics meeting the requirements of subsection (3) of this section must be completed within the six-month period immediately preceding the date your renewal application was received by the board.

(b) In order to renew a retired CPA-Inactive certificate, you must meet the CPE requirements of subsection (1)(b) of this section within the six-month period immediately preceding the date your renewal application was received by the board.

**(5) CPE requirements for a CPA-Inactive certificateholder to either qualify to apply for a license or return to**

**their previously held status as a licensee:** If you hold a valid CPA-Inactive certificate and you wish to apply for a license or you want to return to your previously held status as a licensee, you must meet the CPE requirements of subsection (1)(a) of this section within the thirty-six month period immediately preceding the date your application is received by the board.

**(6) Reinstatement of a lapsed, suspended, or revoked license, certificate, or registration as resident nonlicensee firm owner:**

(a) If you seek to reinstate a lapsed, suspended, or revoked license, you must satisfy the requirements of subsection (1)(a) of this section within the thirty-six month period immediately preceding the date the application for reinstatement was received by the board; however, the four CPE hours in ethics meeting the requirements of subsection (3) of this section must be completed within the six-month period immediately preceding the date your application for reinstatement was received by the board.

(b) If you seek to reinstate a lapsed, suspended, or revoked CPA-Inactive certificate, or registration as a resident nonlicensee firm owner, you must satisfy the requirements of subsection (1)(b) of this section within the six-month period immediately preceding the date your application for reinstatement was received by the board.

**(7) Reciprocity:** If you are applying for an initial Washington state CPA license under the reciprocity provisions of the act, you must satisfy the requirements in subsection (1)(a) of this section within the thirty-six month period immediately preceding the date your application was received by the board. For purposes of initial licensure, you do not need to satisfy the ethics requirements of subsection (1)(a) of this section. Thereafter, in order to renew your Washington state license, you must comply with all the renewal requirements in subsection (1)(a) of this section.

**(8) CPE extension request:** In order to renew your license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner you must complete the required CPE by the end of the CPE reporting period preceding your renewal unless you can demonstrate your failure to meet the CPE requirements was due to reasonable cause. The board may provide limited extensions to the CPE requirements for reasons of individual hardship including, but not limited to, financial hardship, critical illness, or active military deployment. You must request such an extension in writing. The request must include justification for the request and identify the specific CPE you plan to obtain to correct your CPE deficiency.

A form useful for this purpose is available from the board's web site or will be provided to you upon request.

[Statutory Authority: RCW 18.04.055(7), 18.04.215(5), 08-18-016, § 4-25-830, filed 8/25/08, effective 9/25/08; 05-01-137, § 4-25-830, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-830, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055(7), 18.04.104(8), 18.04.215(4), 00-11-077, § 4-25-830, filed 5/15/00, effective 6/30/00. Statutory Authority: RCW 18.04.055(7), 18.04.215(4) and 18.04.105(8), 99-23-045, § 4-25-830, filed 11/15/99, effective 1/1/00.]

**WAC 4-25-831 What are the program standards for CPE? (1) Qualifying program:** A program qualifies as acceptable CPE for purposes of RCW 18.04.215(5) if it is a formal program of learning which contributes to the CPA's

professional knowledge and competence. A formal program means:

- The program is at least fifty minutes in length;
- Attendance is recorded;
- Participants sign in to confirm attendance and, if the program is greater than four credit hours, participants sign out during the last hour of the program; and
- Attendees are provided a certificate of completion.

(2) **Undergraduate and graduate courses:** A graduate or undergraduate course qualifies for CPE credit if it meets the standards in subsections (1) and (5) of this section. For both undergraduate and graduate courses one quarter credit equals 10 CPE credit hours and one semester credit equals 15 CPE credit hours.

(3) **Committee meetings:** Generally, CPE credit is not allowed for attending committee meetings. A meeting qualifies for CPE credit only if it meets the standards in subsections (1) and (5) of this section.

(4) **CPE credit hours for volunteer service on the board and its committees and volunteer service on board approved peer review committees:** You may receive up to thirty-two hours of technical CPE credit each calendar year for actual time spent on board, board committee, or board approved peer review committee activities.

(5) **Subject areas:** Programs dealing with the following general subject areas are acceptable so long as they meet the standards in subsection (1) of this section:

- (a) **Technical subjects include:**
- (i) Auditing standards or procedures;
  - (ii) Compilation and review of financial statements;
  - (iii) Financial statement preparation and disclosures;
  - (iv) Attestation standards and procedures;
  - (v) Projection and forecast standards or procedures;
  - (vi) Accounting and auditing;
  - (vii) Management advisory services;
  - (viii) Personal financial planning;
  - (ix) Taxation;
  - (x) Management information services;
  - (xi) Budgeting and cost analysis;
  - (xii) Asset management;
  - (xiii) Professional ethics (other than those programs used to satisfy the requirements of WAC 4-25-830(3));
  - (xiv) Specialized areas of industry;
  - (xv) Human resource management;
  - (xvi) Economics;
  - (xvii) Business law;
  - (xviii) Mathematics, statistics, and quantitative applications in business;
  - (xix) Business management and organization;
  - (xx) General computer skills, computer software training, information technology planning and management; and
  - (xxi) Negotiation or dispute resolution courses;
- (b) **Nontechnical subjects include:**
- (i) Communication skills;
  - (ii) Interpersonal management skills;
  - (iii) Leadership and personal development skills;
  - (iv) Client and public relations;
  - (v) Practice development;
  - (vi) Motivational and behavioral courses; and
  - (vii) Speed reading and memory building.

Subjects other than those listed above may be acceptable provided you can demonstrate they contribute to your professional competence. You are solely responsible for demonstrating that a particular program is acceptable.

(6) **Group programs:** You may claim CPE credit for group programs such as the following so long as the program meets the standards in subsections (1) and (5) of this section:

- (a) Professional education and development programs of national, state, and local accounting organizations;
- (b) Technical sessions at meetings of national, state, and local accounting organizations and their chapters;
- (c) Formal in-firm education programs;
- (d) Programs of other organizations (accounting, industrial, professional, etc.);
- (e) Dinner, luncheon, and breakfast meetings which are structured as formal educational programs;
- (f) Firm meetings for staff and/or management groups structured as formal education programs. Portions of such meetings devoted to communication and application of general professional policy or procedure may qualify, but portions devoted to firm administrative, financial and operating matters generally will not qualify.

(7) **CPE credit:** CPE credit is allowable only for those programs taken after the issuance of the CPA license. Credit is not allowed for programs taken to prepare an applicant for the ethics examination as a requirement for initial licensure. CPE credit is given in half-hour increments only after the first full CPE credit hour has been earned. A minimum of fifty minutes constitutes one CPE credit hour and, after the first fifty-minute segment has been earned, twenty-five minutes constitutes one-half CPE credit hour. For example:

- Twenty-five minutes of continuous instruction counts as zero CPE credit hour;
- Fifty minutes of continuous instruction counts as one CPE credit hour; and
- Seventy-five minutes of continuous instruction counts as one and one-half CPE credit hours.

Attendees obtain CPE credit only for time spent in instruction; no credit is allowed for preparation time.

(8) **Self-study programs:** Credit for self-study programs is allowed in the renewal period in which you completed the program as established by the evidence of completion provided by the program sponsor.

(a) **Interactive self-study programs:** The amount of credit allowed for interactive self-study is that which is recommended by the program sponsor on the basis of the average completion time under appropriate "field tests." In order to claim CPE credit for interactive self-study programs, you must obtain evidence of satisfactory completion of the course from the program sponsor.

(b) **Noninteractive self-study programs:** The amount of credit allowed for noninteractive self-study is one-half the average completion time as determined by the program sponsor on the basis of appropriate "field tests." To claim CPE credit for noninteractive self-study programs, you must obtain evidence of satisfactory completion of the course from the program sponsor.

(9) **Instructor, discussion leader, or speaker:** If you serve as an instructor, discussion leader or speaker at a program which meets the standards in subsections (1) and (5) of this section, the first time you present the program you may

claim CPE credit for both preparation and presentation time. One hour of credit is allowed for each fifty minutes of instruction. Additionally, you may claim credit for actual preparation time up to two times the presentation hours. No credit is allowed for subsequent presentations. A maximum of seventy-two CPE credit hours are allowed for preparation and presentation during each CPE reporting period.

(10) **Published articles, books:** You may claim CPE credit for published articles and books, provided they contribute to your professional competence. Credit for preparation of such publications may be claimed on a self-declaration basis for up to thirty hours in a CPE reporting period. In exceptional circumstances, you may request additional credit by submitting the article(s) or book(s) to the board with an explanation of the circumstances that justify a greater credit. The amount of credit awarded for a given publication will be determined by the board.

(11) **Carry-forward:** CPE credit hours you complete during one period cannot be carried forward to the next period.

(12) **Carry-back:** As specified in WAC 4-25-830(9), CPE credit hours you complete during one period can be carried back to the previous reporting period only after the board has approved your request to carry back CPE credit hours.

(13) **Credential examination:** You may not claim CPE credit for preparing for or taking a credential examination unless you complete a formal review course and receive a certificate of completion meeting the requirements of WAC 4-25-833. CPE credit may not be claimed for CPA examination review courses.

[Statutory Authority: RCW 18.04.055(7), 18.04.215(5), 05-01-137, § 4-25-831, filed 12/16/04, effective 1/31/05; 01-22-036, § 4-25-831, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055 and 18.04.105(8), 99-23-046, § 4-25-831, filed 11/15/99, effective 1/1/00.]

**WAC 4-25-832 How do I report my CPE to the board?** In order to apply for renewal of your license, certificate, or registration as a resident nonlicensee firm owner, you must satisfy the board's CPE and supporting documentation requirements.

The reporting of compliance with CPE requirements is concurrent with filing your renewal application. When you complete your renewal form, you are required to sign a statement certifying under the penalty of perjury that you complied with the board's CPE requirements as defined in WAC 4-25-830 and supporting documentation requirements as defined in WAC 4-25-833.

The board audits, on a test basis, compliance with CPE and supporting documentation requirements as certified on the renewal form. As part of this audit the board may require additional information to demonstrate your compliance with the board's rules.

[Statutory Authority: RCW 18.04.055(7), 18.04.215(5), 01-22-036, § 4-25-832, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055 and 18.04.105(8), 99-23-047, § 4-25-832, filed 11/15/99, effective 1/1/00.]

**WAC 4-25-833 What documentation must I retain to support my eligibility for CPE credits?** (1) For each program for which you claim CPE credit you must retain documentation to support all of the following required information:

- (a) Program sponsor;
  - (b) Title of program or description of content;
  - (c) Date(s) attended;
  - (d) Number of CPE credit hour(s);
  - (e) Attendee name; and
  - (f) Acceptable evidence of completion.
- (2) Acceptable evidence supporting the requirements of subsection (1) of this section includes:
- (a) For group programs, a certificate, or other acceptable verification as defined by board policy, that is supplied by the program sponsor;
  - (b) For self-study programs, a certificate supplied by the program sponsor after satisfactory completion of a workbook or examination;
  - (c) For a university or college course, a record of the grade you received;
  - (d) For instruction credit, evidence obtained from the program sponsor of your having been the instructor or discussion leader at the program; or
  - (e) For published articles or books, evidence of publication.
- (3) You are responsible for documenting your entitlement to the CPE credit you claim on your renewal form.
- (4) You must retain the supporting documentation for CPE credit claimed for three years after the end of the CPE reporting period in which the credit was claimed.

[Statutory Authority: RCW 18.04.055(7), 18.04.215(5), 01-22-036, § 4-25-833, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055 and 18.04.105(8), 99-23-048, § 4-25-833, filed 11/15/99, effective 1/1/00.]

## ENFORCEMENT

**WAC 4-25-910 What are the bases for the board to impose discipline?** RCW 18.04.055, 18.04.295, 18.04.305, and 18.04.350 authorize the board to revoke, suspend, refuse to issue, renew, or reinstate an individual or firm license, CPA-Inactive certificate, the right to exercise practice privileges in this state, or registration as a resident nonlicensee firm owner; impose a fine not to exceed thirty thousand dollars; recover investigative and legal costs; impose full restitution to injured parties; impose remedial sanctions; impose conditions precedent to renew; or prohibit a resident nonlicensee from holding an ownership interest in a firm licensed in this state for the specific acts listed below.

The following are specific examples of prohibited acts that constitute grounds for discipline under RCW 18.04.295, 18.04.305, and 18.04.350. The board does not intend this listing to be all inclusive.

- (1) Fraud or deceit in applying for the CPA examination, obtaining a license, registering as a resident nonlicensee firm owner, or in any filings with the board.
- (2) Fraud or deceit in renewing or requesting reinstatement of a license, CPA-Inactive certificate, registration as a resident nonlicensee firm owner.
- (3) Cheating on the CPA exam.
- (4) Making a false or misleading statement in support of another person's application or request to:
  - (a) Take the national uniform CPA examination;
  - (b) Obtain a license or registration required by the act or board;

(c) Reinstate or modify the terms of a revoked or suspended license, certificate, or registration as a resident nonlicensee firm owner in this state;

(d) Reinstate revoked or suspended practice privileges of an individual or firm licensed in another state.

(5) Dishonesty, fraud, or negligence while representing oneself as a licensee, CPA-Inactive certificateholder, or a resident nonlicensee firm owner including but not limited to:

(a) Practicing public accounting in Washington state prior to obtaining a license required by RCW 18.04.215 or 18.04.195;

(b) Offering or rendering public accounting services in this state by an out-of-state individual or firm not qualified for practice privileges under RCW 18.04.195 or 18.04.350 (2);

(c) Making misleading, deceptive, or untrue representations;

(d) Engaging in acts of fiscal dishonesty;

(e) Purposefully, knowingly, or negligently failing to file a report or record, or filing a false report or record, required by local, state, or federal law;

(f) Unlawfully selling unregistered securities;

(g) Unlawfully acting as an unregistered securities salesperson or broker-dealer;

(h) Discharging a trustee's duties in a negligent manner or breaching one's fiduciary duties; or

(i) Withdrawing or liquidating, as fees earned, funds received by a licensee, CPA-Inactive certificateholder, or a resident nonlicensee firm owner from a client as a deposit or retainer when the client contests the amount of fees earned, until such time as the dispute is resolved.

(6) The following shall be prima facie evidence that a licensee, as defined in WAC 4-25-410, CPA-Inactive certificateholder, a nonlicensee firm owner, or the employees of such persons has engaged in dishonesty, fraud, or negligence while representing oneself as a licensee, as defined in WAC 4-25-410, CPA-Inactive certificateholder, a nonlicensee firm owner, or an employee of such persons:

(a) An order of a court of competent jurisdiction finding that the person or persons committed an act of negligence, fraud, or dishonesty or other act reflecting adversely on the person's fitness to represent himself, herself, or itself as a licensee, as defined in WAC 4-25-410, CPA-Inactive certificateholder, or a nonlicensee firm owner;

(b) An order of a federal, state, local or foreign jurisdiction regulatory body, or a PCAOB, finding that the licensee, as defined in WAC 4-25-410, CPA-Inactive certificateholder, or nonlicensee firm owner, or employee of such persons committed an act of negligence, fraud, or dishonesty or other act reflecting adversely on the person's fitness to represent himself, herself, or itself as a licensee, as defined in WAC 4-25-410, a CPA-Inactive certificateholder, or a nonlicensee firm owner;

(c) Cancellation, revocation, suspension, or refusal to renew the right to practice as a licensee, certificateholder, or a nonlicensee firm owner by any other state for any cause other than failure to pay a fee or to meet the requirements of continuing education in the other state; or

(d) Suspension or revocation of the right to practice before any state agency, federal agency, or the PCAOB.

(7) Sanctions and orders entered by a nongovernmental professionally related standard-setting body for violation of ethical or technical standards in the practice of public accounting by a licensee, CPA-Inactive certificateholder, or nonlicensee firm owner;

(8) Any state or federal criminal conviction or commission of any act constituting a crime under the laws of this state, or of another state, or of the United States.

(9) A conflict of interest such as:

(a) Self dealing as a trustee, including, but not limited to:

(i) Investing trust funds in entities controlled by or related to the trustee;

(ii) Borrowing from trust funds, with or without disclosure; and

(iii) Employing persons related to the trustee or entities in which the trust has a beneficial interest to provide services to the trust (unless specifically authorized by the trust creation document).

(b) Borrowing funds from a client unless the client is in the business of making loans of the type obtained by the licensee, as defined in WAC 4-25-410, CPA-Inactive certificateholder, or nonlicensee firm owner and the loan terms are not more favorable than loans extended to other persons of similar credit worthiness.

(10) A violation of the Public Accountancy Act or failure to comply with a board rule contained in chapter 4-25 WAC, by a licensee, defined in WAC 4-25-410, CPA-Inactive certificateholder, or employees of such persons of this state or a licensee of another substantially equivalent state qualified for practice privileges, including but not limited to:

(a) An out-of-state individual exercising the practice privileges authorized by RCW 18.04.350(2) when not qualified;

(b) Submission of an application for firm license on behalf of a firm licensed in another state and required to obtain a license under RCW 18.04.195 (1)(a)(iii) by an out-of-state individual not qualified under RCW 18.04.350(2) or authorized by the firm to make such application;

(c) Failure of an out-of-state individual exercising the practice privileges authorized under RCW 18.04.350(2) to cease offering or performing professional services in this state, individually or on behalf of a firm, when the license from the state of the out-of-state individual's principal place of business is no longer valid;

(d) Failure of an out-of-state individual exercising the practice privileges authorized under RCW 18.04.350(2) to cease offering or performing specific professional services in this state, individually or on behalf of a firm, when the license from the state of the out-of-state individual's principal place of business has been restricted from performing those specific services;

(e) Failure of a firm not licensed in this state to cease offering or performing professional services in this state through one or more out-of-state individuals whose license from the state of those individuals' principal place(s) of business is (are) no longer valid or is (are) otherwise restricted from performing the specific engagement services;

(f) Failure of a licensed firm to comply with the ownership requirements of RCW 18.04.195 within a reasonable time period, as determined by the board;

(g) Failure of a firm licensed in this state or another state to comply with the board's quality assurance program requirements, when applicable.

(11) Violation of one or more of the rules of professional conduct included in chapter 4-25 WAC.

(12) Concealing another's violation of the Public Accountancy Act or board rules.

(13) Failure to cooperate with the board by failing to:

(a) Furnish any papers or documents requested or ordered to produce by the board;

(b) Furnish in writing a full and complete explanation related to a complaint as requested by the board;

(c) Respond to an inquiry of the board;

(d) Respond to subpoenas issued by the board, whether or not the recipient of the subpoena is the accused in the proceeding.

(14) Failure to comply with an order of the board.

(15) Adjudication of a licensee, as defined by WAC 4-25-410, CPA-Inactive certificateholder, or a nonlicensee firm owner as mentally incompetent is prima facie evidence that the person lacks the professional competence required by the rules of professional conduct.

(16) Failure of a licensee, as defined by WAC 4-25-410, CPA-Inactive certificateholder, nonlicensee firm owner, or out-of-state person exercising practice privileges authorized by RCW 18.04.195 and 18.04.350 to timely notify the board, in the manner prescribed by the board, of any of the following:

(a) A sanction, order, suspension, revocation, or modification of a license, certificate, permit or practice rights by the SEC, PCAOB, IRS, or another state board of accountancy for any cause other than failure to pay a professional license fee by the due date or failure to meet the continuing professional education requirements of another state board of accountancy;

(b) Charges filed by the SEC, IRS, PCAOB, another state board of accountancy, or a federal or state taxing, insurance or securities regulatory body that the licensee, CPA-Inactive certificateholder, or nonlicensee firm owner committed a prohibited act that would be a violation of board ethical or technical standards;

(c) Sanctions or orders entered against such persons by a nongovernmental professionally related standard-setting body for violation of ethical or technical standards in the practice of public accounting by a licensee, CPA-Inactive certificateholder, or nonlicensee firm owner.

[Statutory Authority: RCW 18.04.055(16), 18.04.195 (11)(d), 18.04.295, 18.04.305, 18.04.350(2). 08-18-016, § 4-25-910, filed 8/25/08, effective 9/25/08. Statutory Authority: RCW 18.04.055(16), 18.04.295, and 18.04.-305. 05-01-137, § 4-25-910, filed 12/16/04, effective 1/31/05; 03-24-033, § 4-25-910, filed 11/25/03, effective 12/31/03. Statutory Authority: RCW 18.04.055(11), 18.04.295, and 18.04.305. 02-04-064, § 4-25-910, filed 1/31/02, effective 3/15/02; 00-11-078, § 4-25-910, filed 5/15/00, effective 6/30/00. Statutory Authority: RCW 18.04.055 and 18.04.295. 94-23-070, § 4-25-910, filed 11/15/94, effective 12/16/94.]

- "Accredited Business Accountant" or "ABA";
- "Accredited Tax Preparer" or "ATP"; and
- "Accredited Tax Advisor" or "ATA."

The board also authorizes the use of the title "Certified Financial Planner" or "CFP" provided the individual is so authorized to use the title or designation by the Certified Financial Planner Board of Standards in Denver, Colorado, or its successor.

This authorization relates to title use only, is not limited to individuals holding a license or certificate under the act, and does not authorize these individuals to use the title "certified public accountant" or "CPA."

[Statutory Authority: RCW 18.04.350(9). 02-17-051, § 4-25-930, filed 8/15/02, effective 9/15/02.]

**WAC 4-25-930 Does the board authorize the use of any other titles or designations?** Yes. The board authorizes the use of the following titles and designations, provided the individual is so authorized to use the title or designation by the Accreditation Council for Accountancy and Taxation located in Alexandria, Virginia, or its successor: