



**RULE-MAKING ORDER**  
(RCW 34.05.360)

**CR-103** (10/1/89)

Agency: Board of Accountancy

Permanent Rule  
 Emergency Rule

(1) Date of adoption: April 28, 1994

(2) Purpose: To prescribe rules of procedure to govern the issuance of CPA certificates/licenses to accountants from foreign countries.

(3) Citation of existing rules affected by this order: New Section: **WAC 4-25-780 Reciprocity for accountants from foreign countries.**  
Repealed:  
Amended:  
Suspended:

(4) Authority for adoption: RCW 18.04.055  
Statute: RCW 18.04.183  
Other Authority:

(5.1) **PERMANENT RULE ONLY**  
Pursuant to notice filed as WSR 93-22-077 on November 1, 1993 (date).  
Describe any changes other than editing from proposed to adopted version:

(5.2) **EMERGENCY RULE ONLY**  
Pursuant to RCW 34.05.350 the agency for good cause finds:  
 (a) That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.  
 (b) That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.  
  
Reasons for this finding:

(5.3) Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?  
 Yes  No If yes, explain:

(6) Effective date of rule:  
**Permanent Rules**                      **Emergency Rules**  
 31 days after filing                       Immediately  
 Other (specify) \_\_\_\_\_ \*                       Later (specify) \_\_\_\_\_  
\*(If less than 31 days after filing, specific finding in 5.3 under RCW 34.05.380(3) is required)

**CODE REVISER USE ONLY**

CODE REVISER'S OFFICE  
STATE OF WASHINGTON

APR 29 1994

TIME 3:46  
WSR 94-10-039

NAME (TYPE OR PRINT)  
Carey L. Rader

SIGNATURE  
*Carey L. Rader*

TITLE                      DATE  
Executive Director                      4/29/94

NEW SECTION

**WAC 4-25-780 Reciprocity for accountants from foreign countries.** RCW 18.04.183 allows the board to designate a professional accounting credential issued in a foreign country as substantially equivalent to a CPA certificate issued under provisions of RCW 18.04.105.

**(1) Initial CPA certification.**

(a) The board may rely on the National Association of State Boards of Accountancy (NASBA), the American Institute of Certified Public Accountants, or other professional bodies for evaluation of foreign accounting credential equivalency.

(b) The board may accept a foreign accounting credential in partial satisfaction of CPA certification requirements if:

(i) The holder of the foreign accounting credential met the issuing body's education requirement and passed the issuing body's examination used to qualify its own domestic candidates; and

(ii) The foreign accounting credential is valid and in good standing at the time of application for a CPA certificate; and

(iii) The body granting the foreign accounting credential permits this state's CPAs equivalent opportunity to receive the foreign accounting credential by reciprocity. The board will, by resolution, specify acceptable foreign accounting credentials and acknowledge reciprocal agreements with bodies granting foreign accounting credentials.

(c) The board may satisfy itself through qualifying examinations that the holder of a foreign credential deemed by the board to be substantially equivalent to a CPA certificate possesses adequate knowledge of U.S. practice standards and the board's regulations. The board will, by resolution, specify the form of qualifying examination(s) and passing grade(s).

(d) The board shall require the foreign reciprocity applicant to demonstrate completion of eighty hours of continuing professional education that meet the standards contained in the board's continuing professional education rules for CPA certificate renewal.

**(2) License to practice public accountancy.** In addition to the certification requirements contained in subsection (1)(a) through (d) of this section, the board may require a foreign reciprocity applicant for a license to practice public accounting to demonstrate satisfactory experience in a foreign or domestic professional accounting firm. The board will, by resolution, specify experience standards for each foreign accounting credential accepted by the board as basis for certification and licensure by foreign reciprocity.

**(3) Renewal of CPA certificate or license granted through foreign reciprocity.** An applicant for renewal of a CPA certificate originally issued in reliance on a foreign professional accounting credential shall:

(a) Make application for renewal of the CPA certificate (and license) at the time and in the same manner prescribed by the board for all other CPAs certified (and licensed) by the board.

(b) Pay such fees as are prescribed for all other CPA certificate (and license) renewals.

(c) If still credentialed in the foreign country, present documentation from the body that issued the applicant's foreign accounting credential stating that the credential is in good standing and valid for the practice of public accountancy in the foreign jurisdiction and stating that the applicant is free of a current disciplinary investigation or action or, if the applicant is the subject of such investigation or action, the particulars thereof. If no longer credentialed in the foreign country, present proof from the foreign credentialing body that the applicant was not the subject of any investigations or disciplinary proceedings at the time the foreign credential lapsed.

(d) Show completion of eighty hours of continuing professional education within the two-year period preceding renewal application in accordance with rules applicable to all CPAs.

**(4) Investigations and discipline of CPAs certified (and licensed) based in part on a foreign accounting credential.**

(a) The holder of a Washington CPA certificate issued in reliance on a foreign accounting credential shall report any investigations undertaken, or sanctions imposed, by a foreign credentialing body against the CPA's foreign credential. Such report shall be made to the Washington state board of accountancy within thirty days of notice to the CPA that an investigation has been started or a sanction imposed.

(b) RCW 18.04.295 authorizes the board to impose discipline for, among other things, violation of state or federal laws. For purposes of enforcement and discipline against CPAs whose CPA certificate (and license) was issued based in part on a foreign accounting credential, the board interprets "state" to include "state, province, or territory" and "federal" to apply to equivalent governmental units of the country in which the foreign accounting credential was issued.

(c) Suspension or revocation of, or refusal to renew, a CPA's foreign accounting credential by the foreign credentialing body is evidence of conduct reflecting adversely upon the CPA's fitness to retain the CPA certificate and is basis for board disciplinary action.

(d) The board may notify foreign credentialing bodies of any sanctions imposed against a CPA whose certificate was issued through foreign reciprocity.

(e) The board may participate in joint investigations with foreign accounting credentialing bodies and may receive evidence supplied by such bodies or their authorized agents or contractors in investigations and disciplinary proceedings.