
Commerce & Labor Committee

SSB 5434

Brief Description: Regarding prohibited practices in accountancy.

Sponsors: Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Marr, Holmquist, Kohl-Welles and Shin; by request of State Board of Accountancy).

Brief Summary of Substitute Bill

- Aligns the prohibited practices for an accounting firm with an office in this state to practice without a license with the licensing requirement.

Hearing Date: 3/24/09

Staff: Joan Elgee (786-7106)

Background:

The Public Accountancy Act governs the practice of accounting in the state. An accounting firm must be licensed to use the title "CPA" or perform attest or compilation services. It is a prohibited practice for a firm with an office in the state to practice "public accounting" without a license. "Practice of public accounting" includes consulting services and preparation of tax returns by a licensee.

Summary of Bill:

The prohibited practices for an accounting firm with an office in the state are aligned with the licensing requirement. It is a prohibited practice for an accounting firm with an office in this state to perform or offer to perform attest or compilation services or use the title "CPA" without a license.

Rules Authority: The bill does not address the rule-making powers of an agency.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.