

University of Mississippi

eGrove

Guides, Handbooks and Manuals

American Institute of Certified Public
Accountants (AICPA) Historical Collection

1957

Relations with Bar in Tax Practice: A Letter to the Members from the President of the American Institute of Accountants

Marquis G. Eaton

Follow this and additional works at: https://egrove.olemiss.edu/aicpa_guides



Part of the [Accounting Commons](#), and the [Taxation Commons](#)

*Relations with Bar
in Tax Practice*

A LETTER TO THE MEMBERS
FROM THE PRESIDENT OF THE
AMERICAN INSTITUTE OF ACCOUNTANTS



270 Madison Avenue, New York 16, N. Y.

*To Members of the
American Institute of Accountants*

Gentlemen:

It is a great pleasure to announce that cooperating committees of the American Bar Association and the American Institute of Accountants have worked out a plan to avoid litigation of differences between lawyers and certified public accountants.

The plan is described in the enclosed Joint Report of the two committees, which have been working together over the past two years in an atmosphere of mutual confidence and goodwill. (See papers by the chairmen, William J. Jameson and John W. Queenan, in *The Journal of Accountancy* for November, 1956.)

We hope that the enclosed statement marks the end of controversy between the organized professions of law and accountancy and the beginning of a successful cooperative effort to deal with differences by friendly negotiation. (See the editorial on the *Agran* case in the December 1956 *Journal of Accountancy*.)

You will note that the National Conference of Lawyers and Certified Public Accountants, which is now composed of members of the two committees, intends to build up precedents on a case-by-case basis rather than to attempt general definitions of prohibited acts. The Statement of Principles (also reproduced in the enclosed pamphlet) will

be used as a guide, but it is recognized that this statement was not intended as a definition of the practice of law or accounting.

Members of the Institute are requested to do these things:

1. Notify the Institute *as soon as any controversy arises*, over fees or otherwise, which might result in charges that a CPA had engaged in "practice of law" in rendering tax services. (The Institute will work with the state society concerned, and with the National Conference, in efforts to bring about settlement of such disputes without litigation.)

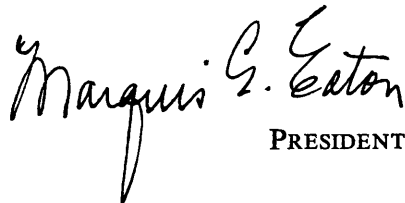
2. Familiarize yourself with the Statement of Principles, and with the Interpretation of Circular 230, issued by the Secretary of the Treasury, January 30, 1956 (also reproduced in the enclosed pamphlet).

3. Bear in mind that both the Institute and the Treasury Department regard it as unethical for certified public accountants to undertake work which falls within the exclusive competence of lawyers.

4. Notify the Institute of any cases in which lawyers appear to be doing work which should be considered within the exclusive competence of CPAs.

If you have any questions about this situation please address them to the Institute's office.

Yours sincerely,

A handwritten signature in cursive script that reads "Marquis G. Eaton". The signature is written in dark ink and is positioned above the printed name.

PRESIDENT

January 15, 1957.

