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Arkansas C. P. A. Law

Arkansas

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AN ACT REGULATING THE PRACTICE OF PUBLIC ACCOUNTING; CREATING A BOARD OF ACCOUNTANCY; PROVIDING FOR THE GRANTING OF CERTIFICATES AND THE REGISTRATION OF CERTIFIED ACCOUNTANTS; PROVIDING FOR EXAMINATIONS, THE SUSPENSION OR REVOCATION OF CERTIFICATES ISSUED BY THE BOARD; PRESCRIBING THE QUALIFICATIONS OF PERSONS ENTITLED TO CERTIFICATES AS CERTIFIED PUBLIC ACCOUNTANTS; CREATING (DEFINING) MISDEMEANORS FOR THE VIOLATION OF THE PROVISIONS HEREOF, AND PRESCRIBING THE PUNISHMENT (PENALTY) THEREFOR.

(Approved March 30, 1915)

Be it enacted by the general assembly of the state of Arkansas:

SECTION 1. Any citizen of the United States or person who has declared his intention of becoming such, having a place for the regular transaction of business as a professional accountant in the state of Arkansas, and who, as in this act required, shall have received from the secretary of state for the state of Arkansas, a certificate of his qualifications to practise as a public accountant, as hereinafter provided, shall have the authority to style himself and be known as a certified public accountant, and to use the abbreviated title C. P. A. for and during the term mentioned in his certificate.

SEC. 2. The governor shall, within thirty days after the taking effect of this act, appoint three persons who shall constitute the board of accountancy, each member of which shall have been engaged in reputable practice as a public accountant for a continuous period of three years immediately preceding the passage of this act, one of which shall have been in the state of Arkansas. The persons first appointed shall hold office for one, two and three years respectively. Upon the expiration of said terms, a member who shall be a holder of a certificate issued under this act, shall be appointed for a term of three years.

SEC. 3. The board of accountancy, the majority of which shall in all cases have the powers of the board, shall determine the qualifications of persons applying for certificates under this act, and shall make rules for the examination of same which shall embody the following:

- (a) Examinations shall be held by the board at least once in each year, at such times and places as may be determined by them. The time and place of holding such examinations shall be advertised for not less than three consecutive days, not less than thirty days prior to the date of each examination, in at least two daily papers printed and published in this state. The examination shall be in theory of accounts, practical

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- accounting, auditing and commercial law as affecting accountancy.
- (b) Applicants for certificates, before taking the examination, must produce evidence satisfactory to the board that they are over twenty-five years of age, of good moral character, a graduate of a high school, with four years' course, or have an equivalent education, or pass an examination to be set by the board, and that they have had at least three years' practical accounting experience.
 - (c) After the examination provided by this act, the board shall, if in its judgment the applicants be entitled thereto, certify to the secretary of state the names and addresses of persons to be registered and to whom certificates of registration are to be issued. It shall thereupon be the duty of the secretary of state to register such persons as certified public accountants, and to issue to them certificates of registration. The secretary of state shall be entitled to receive \$2.50 for each registration and certificate issued, to be paid out of the funds accumulated by this act.
 - (d) In the event the board shall waive the examination of any person of competent age, as in this act provided, the name of such person shall likewise be certified to the secretary of state, who shall likewise register such person and issue such certificate upon payment of the fees required hereunder.
 - (e) All applications must be filed with the board of accountancy and be accompanied by the following fees:
 - For examination or recommendation for waiver of same, as provided in section 4.....\$25.00
 - For registration under section 5..... 25.00
 - For issuance of certificate..... 10.00Provided, however, that in the event any candidate fails to pass the required examination, he shall be entitled to take a second examination, within one year after the date of the examination at which he failed to pass, without paying a second fee.
 - (f) From fees collected the board shall pay all expenses incident under this act; provided that no expense incurred shall be a charge against the funds of the state, and that the remuneration of each examiner shall not exceed the sum of \$5.00 per day, while engaged in his duties as such, exclusive of the necessary traveling and other expenses to which he shall also be entitled; *provided, however*, that all moneys received in excess of the fees and expenses herein provided for shall be held by the treasurer of said board as a special fund for other like expenses of said board in carrying out the provisions of this act, but said treasurer shall file a report with the governor at the close of each calendar year, showing the amount of moneys received during said year, the amount

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expended, and for what purpose, and also the total balance remaining in his hands, which report shall be subscribed and sworn to by said treasurer.

- (g) The board shall annually elect from its number a president, secretary, and treasurer, and all certificates required to be executed for and on behalf of the board shall be certified over the signature of the president and secretary.

SEC. 4. The board may, in their discretion, waive the examination of any person of competent age, of good moral character, and who has been engaged in reputable practice as a public accountant for a continuous period of three years, one of which shall have been in the state of Arkansas immediately preceding the passage of this act, or who has been employed as an accountant by reputable firms of accountants for a continuous period five years immediately preceding the passage of this act, one of which shall have been in the state of Arkansas, and who shall apply in writing to the board for such certificate within six months after the taking effect of this act.

SEC. 5. The board may, in their discretion, issue a certificate to the secretary of state to the effect that any person who is a lawful holder of a certified public accountant's certificate issued under the law of another state which provided for similar registration, and which established a standard of qualification as high as that required under this act, and upon the reception of such certificate, the secretary of state shall issue to such person a certificate of registration, which shall entitle the holder to practise as such certified public accountant and to use the abbreviation C. P. A. in this state.

SEC. 6. The board may revoke or cancel the registration of any certificate issued under this act for unprofessional conduct of the holder or other sufficient cause; *provided* that written notice shall have been mailed to the holder of such certificate at least twenty days before any hearing thereon, stating the cause of such contemplated action and appointing a day for full hearing thereon by the board; and *provided further* that no certificate issued under this act shall be revoked until such hearing shall have been held or the opportunity for such afforded the person charged. In the event of the revocation, cancellation or suspension of any such certificate, the board shall notify the secretary of state of its action in the premises, and the secretary of state shall note such order of the board upon the records kept in his office.

SEC. 7. If any person represents himself to the public as having received a certificate as provided in this act, or shall assume to practise as a certified public accountant, or use the abbreviation C. P. A. or any similar words or letters to indicate that the person using the same is a certified public accountant without having received such certified public accountant certificate, or without having received a registration certificate, as provided in this act; or if any person having received a certificate as provided in this act and having thereafter been deprived of such certificate by revocation as herein provided, shall continue to

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practise and hold himself out as a certified public accountant, he shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined a sum of not less than fifty dollars nor more than five hundred dollars for each offense; and each day such person shall so offend shall be deemed a separate offense. Nothing in this act shall be construed to prohibit any person from practising as a public or expert accountant in this state, but said act shall only apply to such persons as practise and hold themselves out to be certified public accountants.

SEC. 8. If any person practising in the state of Arkansas as a certified public accountant, under this act, or who is in the practice of public accountancy as a certified public accountant, or otherwise, shall knowingly or willfully falsify any report or statement bearing on any examination, investigation or audit made by him, or under his direction, or make any false certificate, he shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than one hundred (\$100.00) dollars, nor more than one thousand (\$1000.00) dollars, or shall be imprisoned in the county or city jail for a term of not less than three months nor more than a year, or both such fine and imprisonment for each time he may so falsify such reports.

SEC. 9. This act being necessary for the public peace, health and safety, the same shall take effect and be in force from and after its passage.