

APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control: 30
Department or Agency: Alabama State Board of Public Accountancy
Rule No.: 30-X-5-.01
Rule Title: Applicability
Intended Action: Amend

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved? No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule? NA

Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? No

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer

D. Boyd Busby, CPA
Donald Boyd Busby

Date

Monday, July 15, 2024

REC'D & FILED
JUL 15, 2024
LEGISLATIVE SVC AGENCY

ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama State Board of Public Accountancy

RULE NO. & TITLE: 30-X-5-.01 Applicability

INTENDED ACTION: Amend

SUBSTANCE OF PROPOSED ACTION:

Rule will be amended to make sections related to inactive and retired CPA requirements and restrictions more concise and clear. Amendment is part of the Governor's request for Rule reduction.

TIME, PLACE AND MANNER OF PRESENTING VIEWS:

Interested persons may present their views in writing to the Executive Director of the Alabama State Board of Public Accountancy at any time until and including September 17, 2024 following the 31st day of July 2024, or, if requested in advance, by personally appearing at the Alabama State Board of Public Accountancy Board Meeting to be held at the Broadway Event Space & Theater in Horton-Hardgrave Hall at Auburn University, 425 West Magnolia Ave, Auburn University, Alabama, 36849, at 10:00 a.m., September 17, 2024.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, September 17, 2024

CONTACT PERSON AT AGENCY:

D. Boyd Busby, CPA

D. Boyd Busby, CPA

Donald Boyd Busby

(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

30-X-5-.01 Applicability.

(1) The continuing professional education requirement applies to all registered Public Accountants and Certified Public Accountants holding annual permits issued by the Board and all non-licensee owners registered with the Board.

(2) The Board may make exceptions from the continuing professional education rules where:

(a) Reasons of health, certified by a medical doctor, prevent compliance by the permit holder; or

(b) CPAS and PAs who are not in the practice of public accountancy and elect Retired or Inactive status. The continuing professional education requirement does not apply to any individual over the age of 55 who is retired from the practice of public accountancy and who informs the Board in writing that he wishes to be placed on retired status with the Board. Also, a licensee may inform the Board in writing that he wishes to be placed on inactive status with the Board. Retirement and inactive status is defined as not performing any of the duties of public accountancy and which for the purposes of this chapter includes, but is not limited to, services involving the use of accounting or auditing skills, including issuance of reports on financial statements, the preparation of tax returns or the furnishing of advice on tax matters. Although nothing in this section shall preclude a retired or inactive CPA or PA~~The requirement does not apply to individuals over the age of 55 who are retired from the practice of public accountancy. For purposes of this regulation, retirement is defined as not performing any of the duties of Public Accountancy, although nothing in this section shall preclude a retired CPA or PA, at least 55 years of age,~~ should place the word "retired" or "inactive," respective of their status, adjacent to their CPA title or PA title on any business card, letterhead or any other document or device, with the exception of their CPA certificate or PA registration, on which their CPA or PA title appears. ~~Such individuals shall notify the Board upon retirement. Retirement from the practice of public accountancy after reaching the age of 55~~Requesting to be placed on retired or inactive status shall be deemed to be reasonable cause for the failure of a certificate holder to report continuing professional education. Additionally, electing retired status no longer requires the CPA or PA to renew his annual

~~permit to practice under and renew his annual permit to practice under~~ Code of Ala. 1975, §34-1-11, so as not to constitute grounds for revocation or suspension of the individual's certificate under Code of Ala. 1975, §34-1-12.

~~(c) The licensee informs the Board in writing that he wishes to leave the practice of public accountancy and be placed on inactive status with the Board. For purposes of this regulation, inactive status is defined as not performing any of the duties of public accountancy. Election of inactive status shall be deemed to be reasonable cause for the failure of a certificate holder to report continuing professional education and renew his annual permit to practice under Code of Ala. 1975, §34-1-11, so as not to constitute grounds for revocation as suspension of the individual's certificate under Code of Ala. 1975, §34-1-12. Certified Public Accountants or Public Accountants granted inactive status by the Board must place the word "inactive" adjacent to their CPA title or PA Registration, on which their CPA or PA title appears.~~

~~(d) Other good cause exists.~~

Author: Alabama Board of Public Accountancy

Statutory Authority: Code of Ala. 1975, §§34-1-1, et seq.

History: Filed September 3, 1982. **Amended:** Filed November 7, 1985; June 27, 1986; January 31, 1991. **Amended:** Filed January 23, 2004; effective February 27, 2004. **Amended:** Filed July 30, 2018; effective September 13, 2018. **Amended:** Filed August 16, 2019; effective September 30, 2019. **Amended:** Published ; effective .