

## CHAPTER 1128

## COUNTY CONSERVATION UNIFORMS

H. F. 674

AN ACT relating to the cost of uniforms for county conservation officers and employees.

*Be It Enacted by the General Assembly of the State of Iowa:*

- 1 SECTION 1. Section one hundred eleven A point four (111A.4),  
 2 subsection ten (10), Code 1973, is amended to read as follows:  
 3 10. To furnish suitable uniforms for the executive officer and such  
 4 employees as he may designate to wear, when on official duty. The cost  
 5 of said uniforms *shall* not ~~to~~ exceed three hundred dollars *per person*  
 6 in any given year. The uniforms shall at all times remain the prop-  
 7 erty of the county.

Approved March 4, 1974

## CHAPTER 1129

## PRACTICE OF PUBLIC ACCOUNTING

S. F. 134

AN ACT relating to the regulation of the practice of public accounting; to enlarge the state board of accountancy; to prescribe its powers and duties; to provide for the licensing of accounting practitioners and establishing an accounting practitioner advisory committee; and to provide penalties for violations of the provisions of this Act.

*Be It Enacted by the General Assembly of the State of Iowa:*

- 1 SECTION 1. NEW SECTION. **Title.** This Act may be cited as the  
 2 "Public Accountancy\* Act of 1974".
- 1 SEC. 2. NEW SECTION. **Definitions.** As used in this Act unless  
 2 the context otherwise requires: "Accounting practitioner" means a  
 3 person licensed by the board as provided in this Act, who does not  
 4 hold a certificate as a certified public accountant or public accountant  
 5 under chapter one hundred sixteen (116) of the Code, and who offers  
 6 to perform or performs for the public, and for compensation, any of  
 7 the following services:  
 8 1. The recording of financial transactions in books of record.  
 9 2. The making of adjustments of such transactions in books of rec-  
 10 ord.  
 11 3. The making of trial balances from books of record.  
 12 4. Internal verification and analysis of books or accounts of orig-  
 13 inal entry.  
 14 5. The preparation of financial statements, schedules, or reports.  
 15 6. The devising and installing of systems or methods of bookkeep-  
 16 ing, internal controls of financial data, or the recording of financial  
 17 data.  
 18 Nothing contained in this definition or elsewhere in this Act shall  
 19 be construed to permit an accounting practitioner to give an opinion

\*According to enrolled Act

20 attesting to the reliability of any representation embracing financial  
21 information as defined in section twenty-five (25), subsections eight  
22 (8) and nine (9) of this Act. Any transmittal letters and titles to  
23 financial statements included in reports prepared by accounting  
24 practitioners shall be labeled as unaudited.

1     **SEC. 3. NEW SECTION. Board of accountancy members—funds**  
2 **—reports—rules.** 1. There is established a board of accountancy.  
3 The board of accountancy shall consist of seven members, five of  
4 whom shall be certified public accountants and two members who  
5 shall not be certified public accountants and who shall represent the  
6 general public. A certified member shall be actively engaged in  
7 practice as a certified public accountant and shall have been so en-  
8 gaged for five years preceding his appointment, the last two of  
9 which shall have been in Iowa. Professional associations or socie-  
10 ties composed of certified public accountants may recommend the  
11 names of potential board members to the governor, but the governor  
12 shall not be bound by the recommendations. A board member shall  
13 not be required to be a member of any professional association or  
14 society composed of certified public accountants. Members shall be  
15 appointed by the governor, subject to the approval of two-thirds of  
16 the members of the senate. The term "board" as used in this Act  
17 means the board of accountancy established by this section. Within  
18 sixty days after the effective date of this Act, the governor shall  
19 appoint the certified public accountant members of the board for  
20 terms as follows: Two members for a term ending June 30, 1976,  
21 and two members for a term ending June 30, 1977, one member for  
22 a term ending June 30, 1978. Within sixty days after the effective  
23 date of this Act, the governor shall appoint the members represent-  
24 ing the general public, one member for a term ending June 30, 1976  
25 and one member for a term ending June 30, 1978. Upon the expira-  
26 tion of each of the terms and of each succeeding term, a successor  
27 shall be appointed for a term of three years. Members shall serve a  
28 maximum of three terms or nine years, whichever is less. Vacancies  
29 occurring in the membership of the board for any cause shall be  
30 filled in the same manner by the governor for the unexpired term  
31 and shall be subject to senate confirmation. The terms of the mem-  
32 bers of the board of accountancy who were serving on June 30, 1974  
33 shall continue until the board of accountancy established by this Act  
34 has been appointed. The public members of the board of account-  
35 ancy shall not participate in devising, administering or grading of  
36 examinations referred to in section five (5) of this Act.

37     A member of the board whose term has expired shall continue to  
38 serve until his successor is appointed and qualified.

39     The governor shall remove from the board any member whose cer-  
40 tificate as a certified public accountant has been revoked or sus-  
41 pended.

42     2. The board shall elect annually a chairman, a secretary, and a  
43 treasurer from its members.

44     The board shall meet as often as deemed necessary, but shall hold  
45 at least one meeting per year at the seat of government.

46     The board may adopt regulations for the orderly conduct of its  
47 affairs and for the administration of this Act.

48 A majority of the members of the board shall constitute a quorum  
49 for the transaction of business.

50 The board shall keep records of its proceedings, and in any pro-  
51 ceeding in court arising out of or founded upon any provision of  
52 this Act, copies of its records certified as correct shall be admissible  
53 in evidence to prove the contents of the records.

54 The board shall have printed and published for public distribu-  
55 tion, in October of each year, an annual register which shall contain  
56 the names, arranged alphabetically by classifications, of all persons,  
57 partnerships, and corporations registered or licensed under this Act;  
58 the names of the members of the board; and such other matters as  
59 may be deemed proper by the board. Copies of the registers shall be  
60 mailed to each person, partnership and corporation named.

61 The board may employ such personnel and arrange for such assist-  
62 ance as it may require for the performance of its duties.

63 Each member of the board shall be paid a per diem set by the  
64 board in an amount not to exceed forty dollars per day for each day  
65 the member is performing official duties and shall be reimbursed for  
66 his actual and necessary expenses, including travel, incurred in the  
67 discharge of his official duties.

68 3. All fees and other moneys received by the board, pursuant to  
69 the provisions of this Act, shall be paid monthly to the treasurer of  
70 state.

71 Warrants for the payment of the expenses of the board or its mem-  
72 bers provided by this Act shall be issued by the state comptroller  
73 drawn upon funds appropriated to the board upon presentation of  
74 vouchers drawn by the chairman of the board and authorized by  
75 the members of the board.

76 The board shall make a biennial report to the governor of its pro-  
77 ceedings, with an account of all moneys received and disbursed, a  
78 list of the names of certified public accountants, public accountants,  
79 and accounting practitioners whose certificates, permits to practice,  
80 or licenses have been revoked or suspended, and such other infor-  
81 mation as it may deem proper or the governor requests.

82 4. The board may promulgate rules of professional conduct appro-  
83 priate to establishing and maintaining high standards of integrity  
84 and dignity in the practice as a certified public accountant, public ac-  
85 countant, or accounting practitioner. Rules shall be adopted relat-  
86 ing to the following matters:

87 a. Rules relating to the propriety of opinions on financial state-  
88 ments by a certified public accountant or public accountant who is  
89 not independent.

90 b. Actions discreditable to the practice as a certified public ac-  
91 countant, public accountant, or accounting practitioner.

92 c. Rules relating to the professional confidences between a certified  
93 public accountant, public accountant, or accounting practitioner and  
94 his client.

95 d. Contingent fees.

96 e. Rules relating to technical competence and the expression of  
97 opinions on financial statements.

98 f. Rules relating to the failure to disclose a material fact known  
99 to the certified public accountant or public accountant, or accounting  
100 practitioner.

101 g. Rules relating to material misstatement known to the certified  
102 public accountant, public accountant, or accounting practitioner.

103 h. Rules relating to negligent conduct in an examination or in  
104 making a report on an examination.

105 i. Rules relating to the failure to direct attention to any material  
106 departure from generally accepted accounting principles.

107 5. A certified public accountant, public accountant, or accounting  
108 practitioner shall not commit and shall not permit persons associ-  
109 ated with him or who are under his supervision to commit any of  
110 the following acts:

111 a. Pay a commission, brokerage, or other participation in the fees  
112 or profits of professional work directly or indirectly to the laity.

113 b. Directly or indirectly accept commission, brokerage, or other  
114 participation in the fees, charges, or profits of work recommended or  
115 turned over to the laity as incident to services for clients.

116 c. Permit others to carry out on his behalf, either with or without  
117 compensation, acts which, if carried out by him, would place him in  
118 violation of rules of the board adopted pursuant to this Act.

119 6. The board shall establish rules and regulations relative to the  
120 conduct of practice as a certified public accountant, public account-  
121 ant, and accounting practitioner in respect to the enumerated items  
122 in subsections four (4) and five (5) of this section, but such direc-  
123 tion shall not be construed as a limitation upon the rights of the  
124 board to make and adopt any rules and regulations relating to the  
125 rules of conduct of certified public accountants, public accountants,  
126 or accounting practitioners, which are not specifically enumerated  
127 in this Act.

128 7. The board may issue further rules and regulations, including  
129 but not limited to rules of professional conduct, pertaining to cor-  
130 porations practicing public accounting, which it deems consistent  
131 with or required by the public welfare. The board may prescribe  
132 regulations governing the style, name, and title of corporations and  
133 governing the affiliation of corporations with other organizations.

134 Regulations adopted by the board shall not be in conflict with the  
135 Iowa Professional Corporation Act, provided in chapter four hun-  
136 dred ninety-six C (496C) of the Code.

1 SEC. 4. NEW SECTION. **Applications.** Applications for certifica-  
2 tion as a certified public accountant shall be on forms prescribed and  
3 furnished by the board and the board may require that the application  
4 contain a recent photograph of the applicant. An applicant shall not  
5 be ineligible for certification because of age, citizenship, sex, race,  
6 religion, marital status, or national origin although the application  
7 may require citizenship information. The board may consider the past  
8 felony record of an applicant only if the felony conviction relates  
9 directly to the practice of accountancy. Character references may  
10 be required, but shall not be obtained from certified public account-  
11 ants.

1 SEC. 5. NEW SECTION. **Granting the certificate.** The certificate  
2 of "certified public accountant" shall be granted by the board to any  
3 person who meets all of the following requirements:

4 1. Is a resident of this state or has a place of business in this state,  
5 or, as an employee, is regularly employed in this state.

6 2. Has a baccalaureate degree conferred by a college or univer-  
7 sity recognized by the board, with a concentration in accounting,  
8 or what the board determines to be substantially the equivalent of  
9 those requirements; or with a nonaccounting concentration, supple-  
10 mented by what the board determines to be substantially the equiva-  
11 lent of an accounting concentration, including related courses in  
12 other areas of business administration; or is a graduate of a high  
13 school having at least a four-year course of study or its equivalent  
14 as determined by the board of accountancy and has had three years'  
15 continuous experience under the direct supervision of a certified pub-  
16 lic accountant holding a current permit to practice, which experience  
17 shall include a significant amount of accounting work involving third  
18 party reliance on financial statements.

19 3. Has passed a written examination in accounting and auditing,  
20 and such related subjects as the board determines to be appropriate.

21 None of the education or experience requirements in subsection  
22 two (2) of this section shall apply to a candidate who within four  
23 years after the effective date of this Act fulfills the education and  
24 experience requirements provided for by law prior to the effective  
25 date of this Act and passes the examination required in subsection  
26 three (3) of this section.

27 The examination described in subsection three (3) of this section  
28 shall be conducted by the certified public accountant members of the  
29 board and shall take place as often as the board shall determine to  
30 be desirable, but shall be held at least once each year. All examina-  
31 tions in theory shall be in writing and the identity of the person tak-  
32 ing the examination shall be concealed until after the examination  
33 papers have been graded. Applicants who fail the examination  
34 once shall be allowed to take the examination at the next scheduled  
35 time. Thereafter, the applicant shall be allowed to take the exami-  
36 nation at the discretion of the board. An applicant who has failed  
37 the examination may request in writing information from the board  
38 concerning his examination grade and subject areas or questions  
39 which he failed to answer correctly, except that if the board admin-  
40 isters a uniform, standardized examination, the board shall only be  
41 required to provide the examination grade and such other informa-  
42 tion concerning the applicant's examination results which are avail-  
43 able to the board.

44 The board shall make such use of all or any part of the uniform  
45 certified public accountants' examination or advisory grading ser-  
46 vice, or both, as it deems appropriate to assist it in performing its  
47 duties under this Act.

48 The board may admit to the examination described in subsection  
49 three (3) of this section any candidate who will complete the edu-  
50 cational requirements for a baccalaureate degree within one hundred  
51 twenty days immediately following the date of the examination.  
52 However, the board shall not report the results of the examination  
53 until the candidate has met the educational requirements.

54 A candidate for the certificate of certified public accountant who  
55 has successfully completed the examination under subsection three  
56 (3) of this section and the educational requirements under subsec-  
57 tion two (2) of this section shall receive a certificate as a certified  
58 public accountant.

59 The board may by regulation provide for granting a credit to a  
60 candidate for satisfactory completion of a written examination in  
61 one or more of the subjects prescribed by the board in this state,  
62 but conducted by the licensing authority in another state, if when the  
63 candidate took the examination in another state, he was not a resi-  
64 dent of this state, had no place of business in this state, and, as an  
65 employee, was not employed regularly in this state.

66 Such regulations shall include such requirements as the board  
67 determines to be appropriate in order that any examination approved  
68 as a basis for any such credit shall, in the judgment of the board, be  
69 at least as thorough as that included in the most recent examination  
70 given by the board at the time of the granting of such credit.

71 The board may by regulation prescribe the terms and conditions  
72 under which a candidate who passes one or more subjects of the ex-  
73 amination prescribed by the board may be reexamined in only the  
74 remaining subjects, with credit for the subjects previously passed.

75 It may also provide by regulation for a reasonable waiting period  
76 for a candidate's reexamination in a subject he has failed.

77 The board shall charge each candidate an examination fee, to be  
78 determined by the board which shall be based upon the annual cost  
79 of administering the examination. Fees for reexamination or par-  
80 tial examination under subsection three (3) of this section shall  
81 also be charged by the board in amounts determined by it. The  
82 applicable fee shall be paid by the candidate\* at the time he applies  
83 for examination or reexamination.

84 Any person who has received from the board a certificate as a cer-  
85 tified public accountant and who is currently registered under sec-  
86 tion twenty (20) of this Act, shall be styled and known as a "certi-  
87 fied public accountant", and may also use the abbreviation "CPA".

88 Persons who, on the effective date of this Act, hold certified public  
89 accountant certificates issued under the laws of this state shall not  
90 be required to obtain additional certificates under this Act, but shall  
91 otherwise be subject to all provisions of this Act; and such certifi-  
92 cates shall, for all purposes, be considered certificates issued under  
93 this Act, and subject to the provisions of this Act.

94 The board may, in its discretion, waive the examinations under  
95 subsection three (3) of this section and may issue a certificate as cer-  
96 tified public accountant to any person possessing what the board  
97 determines to be substantially equivalent of the applicable qualifica-  
98 tions under subsection two (2) of this section; and who is the holder  
99 of a certificate as a certified public accountant, then in full force and  
100 effect, issued under the laws of another state, or is the holder of a  
101 certificate, license or degree in a foreign country constituting a rec-  
102 ognized qualification for the practice of public accounting in such  
103 country, comparable to that of a certified public accountant of this  
104 state, which is then in full force and effect; or who, as a holder of  
105 such certificate, license, or degree shall have been in continuous prac-  
106 tice thereunder for at least seven years.

1 SEC. 6. NEW SECTION. Public accountants. Any person, part-  
2 nership, or corporation who is registered as a public accountant by the

\*According to enrolled Act

3 state of Iowa on the effective date of this Act may continue to regis-  
4 ter with the board as a public accountant within one hundred eighty  
5 days after the effective date of this Act.

1 SEC. 7. NEW SECTION. **Accounting practitioner.** The license of  
2 "accounting practitioner" shall be granted by the board to any person  
3 who meets all of the following requirements:

4 1. Is a resident of this state, or has a place of business in this  
5 state, or, as an employee, is regularly employed in this state.

6 2. Meets the following educational and experience requirements  
7 and applies for a license by July 1, 1976.

8 a. Was engaged as an accounting practitioner, as defined in this Act,  
9 as a principal and (1) has qualified for limited practice without en-  
10 rollment before the United States internal revenue service under rev-  
11 enue procedure sixty-eight dash twenty (68-20) and becomes enrolled  
12 by July 1, 1976 as an agent entitled to practice before the United States  
13 internal revenue service as provided in the United States treasury  
14 department circular number two hundred thirty (230) revised, or  
15 (2) is an enrolled agent entitled to practice before the United States  
16 internal revenue service as provided in the United States treasury  
17 department circular number two hundred thirty (230) revised on  
18 the effective date of this Act; and

19 b. Was engaged as an accounting practitioner for at least three  
20 years prior to the effective date of this Act. The applicant shall sub-  
21 mit and establish to the satisfaction of the board copies of contracts  
22 or agreements, or affidavits of clients, which verify that the appli-  
23 cant has performed services as an accounting practitioner for com-  
24 pensation. Any evidence which indicates that the applicant has  
25 only performed bookkeeping services or prepared tax returns shall  
26 not be deemed sufficient for the purposes of meeting the experience  
27 requirements.

1 SEC. 8. NEW SECTION. **Examination required.** An applicant not  
2 qualified under section seven (7) of this Act shall be granted a  
3 license if the applicant passes a written examination prescribed by  
4 the board, and:

5 1. If the applicant has had two or more years actual experience  
6 in practice as an accounting practitioner as an employee of a certified  
7 public accountant, a public accountant, or an accounting practitioner,  
8 or

9 2. If the applicant was employed for at least twenty-four months  
10 prior to the effective date of this Act by the United States govern-  
11 ment, by this state, or by a political subdivision of this state in an  
12 accounting or auditing position for which an examination in account-  
13 ing knowledge or qualifying education or experience in practice as  
14 an accounting practitioner was required. The applicant shall sub-  
15 mit to the board an official copy of the job description and educa-  
16 tional or experience qualifications required, or an affidavit of the  
17 immediate superior of the applicant attesting to his accounting or  
18 auditing duties. Any evidence which indicates that the applicant  
19 has performed only clerical or bookkeeping work shall not be deemed  
20 sufficient for the purposes of this subsection, or

21 3. If the applicant submits evidence satisfactory to the board  
22 that applicant is a graduate of a four-year college or university ac-

23 credited by the north central accreditation association or other re-  
24 gional accreditation association having equivalent standards, with a  
25 major in accounting, or that he is a graduate in accountancy from a  
26 business or correspondence school accredited by the accrediting  
27 commission for business schools or the accrediting commission of  
28 the national home study council.

1     **SEC. 9. NEW SECTION. Advisory committee.** There is established  
2 an accounting practitioner advisory committee with whom the board  
3 shall consult on matters relating to the qualifications, examination,  
4 licensing, and practice of accounting practitioners. The advisory  
5 committee shall consist of three members appointed by the governor  
6 who shall be licensed accounting practitioners. A member shall be  
7 actively engaged in the practice of accounting and shall have been  
8 so engaged for five years preceding his appointment, the last two of  
9 which shall have been in Iowa. Professional associations or socie-  
10 ties composed of accounting practitioners may recommend the names  
11 of potential committee members to the governor, but the governor  
12 shall not be bound by the recommendations. A committee member  
13 shall not be required to be a member of any professional association  
14 or society composed of accounting practitioners. The initial appoint-  
15 ees shall possess the basic qualifications set forth in section seven  
16 (7) of this Act and shall be eligible for licensure. For the initial  
17 committee, one member shall serve a term of one year, one member  
18 shall serve a term of two years, and one member shall serve a term of  
19 three years. Thereafter, members shall serve three-year terms.  
20 Members shall serve a maximum of three terms or nine years, which-  
21 ever is less. Any vacancy occurring during a term shall be filled by  
22 the governor for the remainder of the unexpired term. Upon com-  
23 pletion of his term, a member shall continue to serve until his succes-  
24 sor is appointed and qualified. The governor shall remove from  
25 office any member whose license to practice has become void, or has  
26 been suspended or revoked, and may, after a hearing, remove any  
27 member from office for neglect of duty or other just cause.

28     A majority of the members of the advisory committee shall consti-  
29 tute a quorum.

30     Members of the advisory committee shall set their own per diem  
31 compensation not exceeding forty dollars per day for each day spent  
32 in the discharge of their official duties, and shall be reimbursed for  
33 actual and necessary expenses.

1     **SEC. 10. NEW SECTION. Applications.** Applications for licensure  
2 as accounting practitioners shall be on forms prescribed by the board.  
3 The board may require that the application contain a recent photo-  
4 graph of the applicant. An applicant shall not be ineligible for licen-  
5 sure because of age, citizenship, sex, race, religion, marital status,  
6 or national origin although the application may require citizenship  
7 information. The board may consider the past felony record of an  
8 applicant only if the felony conviction relates directly to practice as  
9 an accounting practitioner. Character references may be required,  
10 but shall not be obtained from licensed accounting practitioners.

1     **SEC. 11. NEW SECTION. Examinations.** Each applicant for a  
2 license to practice as an accounting practitioner shall pay to the



3 board an examination fee before being examined. The amount of the  
4 fee shall be set by the board based upon the annual cost of adminis-  
5 tering the examination.

6 Examinations shall be conducted by the board as often as deemed  
7 necessary, but not less than one time per year.

8 Each examination shall be designed and given in a manner as to  
9 fairly test the applicant's knowledge of accounting theory and ac-  
10 counting practice as prescribed by the board. The examination shall  
11 not include questions relating to the subject of auditing.

12 The board shall make use of all or any part of standard or uniform  
13 examinations and advisory grading services which are provided or  
14 furnished by national accounting organizations or societies as the  
15 board deems appropriate to assist it in performing its duties as pro-  
16 vided in this Act. All examinations in theory shall be in writing  
17 and the identity of the person taking the examination shall be con-  
18 cealed until after the examination papers have been graded.

19 If an applicant has partially passed an examination given in an-  
20 other state, under requirements which the board finds to be substan-  
21 tially equivalent to those required in examinations given in this  
22 state, the results of the other state examination shall be accepted as  
23 though given in this state.

24 Every applicant successfully passing all subjects in which exam-  
25 ined shall be granted and issued a license as an accounting practi-  
26 tioner by the board. The cost of the license shall be based upon  
27 the administrative costs of the board and advisory committee and the  
28 costs of issuing the license.

29 An applicant who fails the examination once shall be allowed to  
30 take the examination at the next scheduled time. Thereafter, the  
31 applicant shall be allowed to take the examination at the discretion  
32 of the board. An applicant who passes a portion of the examina-  
33 tion shall have the right to be reexamined in the remaining subjects  
34 at a future examination, and if he passes in the remaining subjects,  
35 he shall be considered to have passed the entire examination. An  
36 applicant who has failed the examination may request in writing  
37 information from the board concerning his examination grade and  
38 subject areas or questions which he failed to answer correctly, except  
39 that if the board administers a uniform, standardized examination,  
40 the board shall only be required to provide the examination grade  
41 and such other information concerning the applicant's examination  
42 results which are available to the board.

1 **SEC. 12. NEW SECTION. Renewals.** Licenses as accounting prac-  
2 tioners shall expire annually as determined by the board. The  
3 board shall notify every person licensed under this Act of the date of  
4 expiration of his license and the amount of the fee required for its  
5 renewal for one year. The notice shall be mailed at least one month  
6 in advance of the expiration date. A person who fails to renew his  
7 license to practice as an accounting practitioner by the expiration  
8 date shall be allowed to do so within thirty days following its expira-  
9 tion, but the board may assess a reasonable penalty.

1 **SEC. 13. NEW SECTION. Reciprocity.** In its discretion, the board  
2 may waive an examination and issue a license as an accounting prac-  
3 tioner to any applicant who:

- 4 1. Holds, or is eligible to hold, an accounting practitioner license  
5 issued, after examination, by a state which extends by reciprocity  
6 similar privileges to an accounting practitioner of this state, and who,  
7 as of the time of issuance of the license, possessed the basic qualifi-  
8 cations set forth in section eight (8) of this Act; or  
9 2. Has passed the examination required under the laws of another  
10 state and who possesses the basic qualifications set forth in section  
11 eight (8) of this Act at the time he applied for a license in this state.  
12 Every person applying for a license to be issued pursuant to the  
13 provisions of this section shall pay a fee as determined by the board  
14 based upon the costs of issuing the license.

1 SEC. 14. NEW SECTION. **Actions not prohibited.** Nothing in this  
2 Act shall be construed to prohibit any officer of a corporation or any  
3 employee of a corporation or other business entity from signing or  
4 affixing his name to any report or financial statement of a corpora-  
5 tion or other business entity and designating the office, title, or posi-  
6 tion he holds in or with the same, nor to prohibit any act of a public  
7 official or public employee done in the performance of his duties as  
8 such.

1 SEC. 15. NEW SECTION. A secretary may be employed to collect  
2 and account for all fees and pay them to the treasurer of state for  
3 deposit in the general fund of the state. The board shall set the fees  
4 for examination as a certified public accountant, and for examination  
5 as an accounting practitioner, based upon the annual cost of admin-  
6 istering the examinations. The fees for registration and renewal of  
7 a certificate and permit as a certified public accountant, registration  
8 as a public accountant, registration of a foreign public accountant,  
9 and licensure and renewal as an accounting practitioner, shall be  
10 based upon the administrative costs of sustaining the board which  
11 shall include, but shall not be limited to, the costs for:  
12 1. Per diem, expenses and travel for board members.  
13 2. Office supplies and equipment.  
14 3. Clerical assistance.

1 SEC. 16. NEW SECTION. **Disclosure of confidential information.** A  
2 member of the board shall not disclose information relating to the  
3 following:  
4 1. Criminal history or prior misconduct of the applicant.  
5 2. Information relating to the contents of the examination.  
6 3. Information relating to the examination results other than final  
7 score except for information about the results of an examination  
8 which is given to the person who took the examination.  
9 A member of the board who willfully communicates or seeks to  
10 communicate such information, and any person who willfully re-  
11 quests, obtains, or seeks to obtain such information, is guilty of a  
12 public offense which is punishable by a fine not exceeding one hun-  
13 dred dollars or by imprisonment in the county jail for not more than  
14 thirty days.

1 SEC. 17. NEW SECTION. **Foreign licensees.** The board may, in its  
2 discretion, permit the registration of any person of good moral char-  
3 acter who is a holder in good standing of a certificate, license, or de-  
4 gree in a foreign country constituting a recognized qualification for

5 the practice of public accounting in such country. A person so  
6 registered shall use only the title under which he is generally known  
7 in his own country, followed by the license, or degree. The board shall  
8 charge a fee for registration under this Act, based upon the costs of  
9 registration.

1 SEC. 18. NEW SECTION. **Partnerships and corporations.** A part-  
2 nership engaged in this state in the practice of public accounting  
3 shall register with the board as a partnership of certified public ac-  
4 countants or accounting practitioners and shall meet the following  
5 requirements:

6 1. At least one general partner shall be a certified public account-  
7 ant or accounting practitioner in good standing of this state and  
8 have a permit to practice.

9 2. Each partner shall be a certified public accountant or account-  
10 ing practitioner, or similar title, in good standing of some state.

11 3. Each resident manager in charge of an office of a firm in this  
12 state, and each partner personally engaged within this state in the  
13 practice of public accounting as a member of the partnership, shall  
14 be a certified public accountant or accounting practitioner in good  
15 standing of this state and have a permit to practice.

16 A corporation organized for the practice of public accounting  
17 shall register with the board as a corporation of certified public  
18 accountants or accounting practitioners.

19 Application for registration as a partnership or corporation shall  
20 be made upon the affidavit of a general partner of the partnership  
21 or officer of the corporation who is a certified public accountant or  
22 accounting practitioner of this state having a current permit to  
23 practice.

24 The board shall in each case determine whether the applicant is  
25 eligible for registration.

26 A partnership or corporation which is so registered, and which  
27 holds a permit issued under section twenty (20) of this Act, may use  
28 the words "certified public accountant" or the abbreviation "CPA"  
29 or "accounting practitioner" or the abbreviation "AP" in connection  
30 with its partnership or corporation name.

31 Notification shall be given the board, within ninety days after the  
32 admission or withdrawal of a partner who holds a permit to practice  
33 under section twenty (20) of this Act, from any partnership so regis-  
34 tered.

1 SEC. 19. NEW SECTION. **Registration of office.** Each office es-  
2 tablished or maintained in this state for the practice of public account-  
3 ing in this state by a certified public accountant, or partnership or cor-  
4 poration of certified public accountants, or by a public accountant or  
5 a partnership of public accountants, or by an accounting practitioner  
6 or partnership of accounting practitioners, or by a person registered  
7 under section seventeen (17) of this Act, shall be registered bien-  
8 nially under this Act with the board, but no fee shall be charged for  
9 such registration.

10 Each such office shall be under the direct supervision of a resident  
11 manager who may be either a principal, shareholder, or a staff em-  
12 ployee holding a current permit under section twenty (20) of this Act.  
13 The title or designation "certified public accountant" or the abbrevia-

14 tion "CPA" or "accounting practitioner" or the abbreviation "AP"  
15 shall not be used in connection with an office unless the resident man-  
16 ager is the holder of a certificate as a certified public accountant un-  
17 der section five (5) of this Act, or a license as an accounting practi-  
18 tioner issued under section seven (7) or eight (8) of this Act, and a  
19 permit issued under section twenty (20) of this Act, both of which  
20 are in full force and effect.

21 A resident manager may serve at one office only.

22 The board shall by regulation prescribe the procedure to be followed  
23 in effecting such registration.

1 SEC. 20. NEW SECTION. **Permit to practice.** 1. The certificate of  
2 certified public accountant granted by the board under section five (5)  
3 of this Act and the registration with the board as a public accountant  
4 under section six (6) of this Act, and the license to practice as an  
5 accounting practitioner under section seven (7) or eight (8) of this  
6 Act shall be renewed annually as determined by the board. There  
7 shall be an annual renewal fee, in the amount to be determined from  
8 time to time by the board, not to exceed fifty dollars.

9 2. In addition to the certificates and licenses, permits to engage in  
10 the practice of public accounting in this state shall be issued by the  
11 board to holders of the certificate of certified public accountant in  
12 force and effect as specified in subsection one (1) of this section, upon  
13 payment of the fees, as follows:

14 a. Persons holding the certificate of certified public accountant on  
15 the effective date of this Act and who have had three years' continu-  
16 ous practical accounting experience as a public accountant or a staff  
17 accountant, or three years' continuous employment as a field examiner  
18 under a revenue agent-in-charge of the income tax bureau of the  
19 treasury department of the United States, or as a field examiner in  
20 the office of the auditor of state, office of the state comptroller,  
21 department of revenue, or the insurance department, of this state,  
22 or a bank examiner employed by the department of banking of this  
23 state pursuant to section five hundred twenty-four point two hundred  
24 eight (524.208) of the Code, shall be issued permits by the board.

25 b. Persons holding the certificate of certified public accountant  
26 under the provisions of section five (5) of this Act who are high  
27 school graduates and who have had three years' continuous experi-  
28 ence under the direct supervision of a certified public accountant  
29 holding a current permit to practice, which experience must include  
30 a significant amount of accounting work involving third party reli-  
31 ance on the financial statements, shall be issued permits by the board.  
32 The experience required in section five (5), subsection four (4), of  
33 this Act shall be counted as the experience required in this paragraph.

34 c. Persons holding the certificate of certified public accountant  
35 under the provisions of section five (5) of this Act who have a bac-  
36 calaureate degree conferred by a college or university recognized by  
37 the board with a concentration in accounting, or what the board deter-  
38 mines to be substantially the equivalent of an accounting concentra-  
39 tion including related courses in other areas of business administra-  
40 tion, and who have had at least two years of experience in the practice  
41 of public accounting, such experience being acceptable to the board,  
42 shall be issued permits by the board.

43 d. Persons holding the certificate of certified public accountant  
 44 under the provisions of section five (5) of this Act who have a bac-  
 45 calaureate degree conferred by a college or university recognized by  
 46 the board and not less than thirty semester credit hours additional  
 47 study, the total educational program to include an accounting concen-  
 48 tration or its equivalent and such related subjects as the board deter-  
 49 mines to be appropriate, and who have had at least one year of experi-  
 50 ence in the practice of public accounting such experience being accept-  
 51 able to the board, shall be issued permits by the board.

52 e. All offices of a holder of a certificate of certified public account-  
 53 ant shall be maintained and registered as required under section nine-  
 54 teen (19) of this Act.

55 3. Permits to engage in the practice of public accounting in this  
 56 state shall also be issued by the board to persons, partnerships, and  
 57 corporations registered under sections six (6), seventeen (17) and  
 58 eighteen (18) of this Act if all offices of the registrant are maintained  
 59 and registered as required under section nineteen (19) of this Act.

60 4. There shall be a biennial permit fee in an amount to be deter-  
 61 mined, from time to time, by the board, payable by certified public  
 62 accountants, public accountants, and accounting practitioners engaged  
 63 in practice in this state. No fee shall be charged for the renewal of a  
 64 partnership or corporation permit to practice. All permits shall expire  
 65 annually as determined by the board.

66 5. No person, firm or corporation shall practice as a certified public  
 67 accountant, public accountant, or accounting practitioner without a  
 68 permit.

69 6. The board shall prescribe continuing education requirements for  
 70 all certified public accountants and accounting practitioners holding  
 71 permits and all other certified public accountants and accounting prac-  
 72 titioners working under permits to engage in the practice of public  
 73 accounting in this state and compliance by certified public accountants  
 74 and accounting practitioners shall be a condition precedent to the  
 75 renewal of a permit to practice under this section.

76 7. A person who fails to renew his permit to practice as a certified  
 77 public accountant by the expiration date shall be allowed to do so  
 78 within thirty days following its expiration, but the board may assess  
 79 a reasonable penalty.

1 SEC. 21. NEW SECTION. Causes for revocation, suspension, or  
 2 refusal to renew. After notice and hearing as provided in section  
 3 twenty-three (23) of this Act, the board may revoke or may suspend  
 4 for a period not to exceed two years, any certificate issued under sec-  
 5 tion five (5) of this Act, or any registration granted under section  
 6 six (6) of this Act, or any license issued under section seven (7) or  
 7 eight (8) of this Act, or may revoke, suspend, or refuse to renew any  
 8 permit issued under section twenty (20) of this Act, or may censure  
 9 the holder of any such permit, for any one or any combination of the  
 10 following causes:

11 1. The certificate, permit, or license shall be permanently revoked  
 12 if fraud or deceit was used in obtaining a certificate as a certified  
 13 public accountant, registration as a public accountant, or a license as  
 14 an accounting practitioner, or in obtaining a permit to practice public  
 15 accounting under this Act.

- 16     2. Dishonesty, fraud, or gross negligence in the practice of public  
17 accounting.
- 18     3. Violation of any of the provisions of section twenty-five (25) of  
19 this Act.
- 20     4. Violation of a rule of professional conduct promulgated by the  
21 board under the authority granted by this Act.
- 22     5. Conviction of a felony under the laws of any state or of the  
23 United States.
- 24     6. Engaging in any activity prohibited under section three (3) of  
25 this Act or permitting persons associated with him who are under his  
26 supervision to do so.
- 27     7. Conviction of any crime, an element of which is dishonesty or  
28 fraud, under the laws of any state or of the United States.
- 29     8. Cancellation, revocation, suspension, or refusal to renew the  
30 authority to practice as a certified public accountant, a public ac-  
31 countant, or an accounting practitioner by any other state, for any  
32 cause other than failure to pay appropriate fees in the other state.
- 33     9. Suspension or revocation of the right to practice before any state  
34 or federal agency.
- 35     10. Failure of a certificate holder, registrant, or licensee to obtain  
36 a renewal of his certificate, registration, or license under section  
37 twenty (20), subsection one (1) of this Act.
- 38     11. Conduct discreditable to the public accounting profession.

1     **SEC. 22. NEW SECTION. Revocation, suspension, and refusal to**  
2 **renew registration and permit of partnership or corporation.** After  
3 notice and hearing as provided in section twenty-three (23) of this  
4 Act, the board shall revoke the registration and permit to practice of  
5 a partnership or corporation if at any time it does not possess the  
6 qualifications prescribed by the section of this Act under which it  
7 qualified for registration.

8     After notice and hearing as provided in section twenty-three (23)  
9 of this Act, the board may revoke or suspend the registration of a  
10 partnership or corporation, or may revoke, suspend, or refuse to  
11 renew its permit to practice or may censure the holder of any such  
12 permit for any of the following additional causes:

13     1. The revocation or suspension of the certificate, registration, or  
14 license or the revocation or suspension or refusal to renew the permit  
15 to practice of any partner, officer, or shareholder.

16     2. The cancellation, revocation, suspension, or refusal to renew the  
17 authority of the partnership or corporation, or any partner, officer,  
18 or shareholder thereof to practice public accounting in any other state  
19 for any cause other than failure to pay appropriate fees in such other  
20 state.

1     **SEC. 23. NEW SECTION. Notice and hearing.** 1. The board may  
2 initiate proceedings under this Act either on its own motion or on the  
3 complaint of any person.

4     2. A written notice stating the nature of the charge or charges  
5 against the accused and the time and place of the hearing before the  
6 board on such charges shall be served on the accused not less than  
7 thirty days prior to the date of hearing either personally or by mail-  
8 ing a copy by registered mail to the last known address of the accused.

9 3. If, after having been served with the notice of hearing, the  
10 accused fails to appear at the hearing and defend himself, the board  
11 may proceed to hear evidence against him and may enter such order  
12 as is justified by the evidence, which order shall be final unless the  
13 accused petitions for its review as provided in this section. However,  
14 within thirty days from the date of any order, upon a showing of good  
15 cause for failing to appear and defend, the board may reopen the pro-  
16 ceedings and may permit the accused to submit evidence in his  
17 defense.

18 4. At any hearing the accused may appear in person and by coun-  
19 sel, produce evidence and witnesses on his own behalf, cross-examine  
20 witnesses, and examine evidence which is produced against him. A  
21 corporation may be represented before the board by counsel, or by  
22 shareholder who is a certified public accountant, public accountant,  
23 or accounting practitioner of this state in good standing. The accused  
24 shall be entitled, on application to the board, to the issuance of sub-  
25 poenas to compel the attendance of witnesses on his behalf.

26 5. Any member of the board may issue subpoenas to compel the  
27 attendance of witnesses and the production of documents, and may  
28 administer oaths, take testimony, hear proofs, and receive exhibits  
29 in evidence in connection with or upon hearing under this Act.

30 In case of disobedience to a subpoena the board may invoke the aid  
31 of any court of this state in requiring the attendance and testimony  
32 of witnesses and the production of documentary evidence.

33 6. The board shall not be bound by technical rules of evidence.

34 7. A stenographic record of the hearings shall be kept and a tran-  
35 script thereof filed with the board.

36 8. At all hearings, the attorney general of this state, or one of his  
37 assistants designated by him, or such other legal counsel as may be  
38 employed, shall appear and represent the board.

39 9. The decision of the board shall be by majority vote of its mem-  
40 bers.

41 10. Anyone adversely affected by an order of the board may obtain  
42 a review of that order by filing a written petition for review with the  
43 district court within thirty days after the entry of the order. The  
44 petition shall state the grounds upon which the review is asked and  
45 shall pray that the order of the board be modified or set aside in whole  
46 or in part. A copy of the petition shall be immediately served upon  
47 any member of the board and the board shall then certify and file in  
48 the court a transcript of the record upon which the order complained  
49 of was entered.

50 The case shall then be tried de novo on the record made before the  
51 board without the introduction of new or additional evidence but the  
52 parties shall be permitted to file briefs as in an ordinary case at law.

53 The court may affirm, modify, or set aside the board's order in  
54 whole or in part, or may remand the case to the board for further  
55 evidence, and may, in its discretion, stay the effect of the board's  
56 order pending its determination of the case.

57 The court's decision shall have the force and effect of a decree in  
58 equity.

1 **SEC. 24. NEW SECTION. Issuance of new certificate or permit.**  
2 Upon application in writing and after hearing pursuant to notice, the  
3 board may issue a new certificate to a certified public accountant

4 whose certificate has been revoked, or may permit the reregistration  
5 of anyone whose registration has been revoked, or may issue a new  
6 license to an accounting practitioner whose license has been revoked,  
7 or may reissue or modify the suspension of any permit to practice  
8 public accounting which has been revoked or suspended.

1     **SEC. 25. NEW SECTION. Use of title.** 1. No person shall assume  
2 or use the title or designation "certified public accountant" or the  
3 abbreviation "CPA" or any other title, designation, words, letters,  
4 abbreviation, sign, card, or device tending to indicate that the person  
5 is a certified public accountant, unless the person has received and  
6 holds a valid certificate as a certified public accountant under section  
7 five (5) of this Act. However, a foreign accountant who has reg-  
8 istered under the provisions of section seventeen (17) of this Act  
9 may use the title under which he is generally known in his country,  
10 followed by the name of the country from which he received his cer-  
11 tificate, license, or degree.

12     2. No partnership or corporation shall assume or use the title or  
13 designation "certified public accountant" or the abbreviation "CPA"  
14 or any other title, designation, words, letters, abbreviation, sign,  
15 card, or device tending to indicate that the partnership or corporation  
16 is composed of certified public accountants unless the partnership or  
17 corporation is registered as a partnership of certified public account-  
18 ants under section eighteen (18) of this Act, holds a current permit  
19 issued under section twenty (20) of this Act, and all offices of such  
20 partnership or corporation in this state for the practice of public  
21 accounting are maintained and are registered as required under sec-  
22 tion nineteen (19) of this Act.

23     3. No person shall assume or use the title or designation "public  
24 accountant" or any other title, designation, words, letters, abbrevia-  
25 tion, sign, card, or device tending to indicate that such person is a  
26 public accountant, unless such person is registered as a public  
27 accountant under section six (6) of this Act, or unless such person  
28 has received a certificate as a certified public accountant under section  
29 five (5) of this Act.

30     4. No partnership or corporation shall assume or use the title or  
31 designation "public accountant" or any other title, designation,  
32 words, letters, abbreviation, sign, card, or device tending to indicate  
33 that such partnership or corporation is composed of public account-  
34 ants, unless such partnership or corporation is registered as a part-  
35 nership or corporation of public accountants under section six (6)  
36 of this Act, or as a partnership or corporation of certified public  
37 accountants under section eighteen (18) of this Act.

38     5. No person shall assume or use the title or designation "account-  
39 ing practitioner" or the abbreviation "AP" or any other title, desig-  
40 nation, words, letters, abbreviation, sign, card, or device tending to  
41 indicate that the person is a licensed accounting practitioner, unless  
42 the person has received and holds a license as an accounting practi-  
43 tioner issued under either section seven (7) or eight (8) of this Act.

44     6. No partnership or corporation shall assume or use the title or  
45 designation "accounting practitioner" or the abbreviation "AP" or  
46 any other title, designation, words, letters, abbreviation, sign, card,  
47 or device, tending to indicate that the partnership or corporation is  
48 composed of licensed accounting practitioners unless the partnership



49 or corporation under section eighteen (18) of this Act holds a permit  
50 issued under section twenty (20) of this Act, and all offices of the  
51 partnership or corporation in this state are maintained and are reg-  
52 istered as required under section nineteen (19) of this Act.

53 7. No person, partnership, or corporation shall assume or use the  
54 title or designation "certified accountant", "chartered accountant",  
55 "enrolled accountant", "licensed accountant", "registered account-  
56 ant", or any other title or designation likely to be confused with  
57 "certified public accountant" or "public accountant" or any of the  
58 abbreviations "CA", "PA", "EA", "RA", or "LA", or similar abbrevi-  
59 ations, likely to be confused with "CPA". However, a foreign  
60 accountant registered under section seventeen (17) of this Act may  
61 use the title under which he is generally known in his country, fol-  
62 lowed by the name of the country from which he received his certifi-  
63 cate, license, or degree. Nothing in this subsection shall prohibit the  
64 use of the title or designation "accountant" by persons other than  
65 those holding a current permit issued under section twenty (20) of  
66 this Act.

67 8. No person shall sign or affix his name or any trade or assumed  
68 name used by him in his profession or business, to any opinion  
69 attesting to the reliability of any representation in regard to any per-  
70 son or organization embracing either financial information or facts  
71 respecting compliance with conditions established by law or con-  
72 tract, including but not limited to statutes, ordinances, regulations,  
73 grants, loans and appropriations, unless he holds a current permit  
74 issued under section twenty (20) of this Act, and all of his offices in  
75 this state for the practice of public accounting are maintained and  
76 registered under section nineteen (19) of this Act. However, the  
77 provisions of this subsection shall not prohibit any officer, employee,  
78 partner, or principal of any organization from affixing his signature  
79 to any statement or report in reference to the financial affairs of  
80 said organization with any wording designating the position, title,  
81 or office which he holds in the organization, nor shall the provisions  
82 of this subsection prohibit any act of a public official or public  
83 employee in the performance of his duties.

84 9. No person shall sign or affix a partnership or corporation name  
85 to any opinion attesting to the reliability of any representation in  
86 regard to any person or organization embracing financial informa-  
87 tion or facts respecting compliance with conditions established by  
88 law or contract, including but not limited to statutes, ordinances,  
89 regulations, grants, loans and appropriations, unless the partnership  
90 or corporation holds a current permit issued under section twenty  
91 (20) of this Act and all of its offices in this state for the practice of  
92 certified public accounting are maintained and registered as  
93 required under section nineteen (19) of this Act.

94 10. No person shall assume or use the title or designation "certi-  
95 fied public accountant" or "public accountant" in conjunction with  
96 names indicating or implying that there is a partnership or corpora-  
97 tion or in conjunction with the designation "and company", and "and  
98 co." or a similar designation, if in any such case, there is in fact no  
99 bona fide partnership or corporation registered under section six (6)  
100 or eighteen (18) of this Act; however, a sole proprietor or partner-  
101 ship lawfully using such title or designation on the effective date of

102 this Act, may continue to do so if he otherwise complies with the  
103 provisions of this Act.

1     **SEC. 26. NEW SECTION. Employees of accountants.** Nothing con-  
2 tained in this Act shall prohibit any person not a certified public  
3 accountant, public accountant, or accounting practitioner from serv-  
4 ing as an employee of, or an assistant to, a certified public account-  
5 ant, public accountant, or accounting practitioner, or partnership or  
6 corporation composed of certified public accountants, public account-  
7 ants, or accounting practitioners, holding a permit to practice issued  
8 under section twenty (20) of this Act or a foreign accountant reg-  
9 istered under section seventeen (17) of this Act; however, such  
10 employee or assistant shall not issue any accounting or financial state-  
11 ment over his name.

1     **SEC. 27. NEW SECTION. Temporary residence.** Nothing contained  
2 in this Act shall prohibit a certified public accountant of another  
3 state, or accounting practitioner, or similar title, or any accountant  
4 who holds a certificate, degree, or license in a foreign country, con-  
5 stituting a recognized qualification for the practice of public account-  
6 ing in such country, from temporarily and periodically practicing in  
7 this state, if he is conducting a regular practice in such other state  
8 or foreign country; however, such temporary practice shall be con-  
9 ducted in conformity with the requirements of this Act and the regu-  
10 lations and rules promulgated by the board.

1     **SEC. 28. NEW SECTION. Violation of use of title.** Whenever in  
2 the judgment of the board any person has engaged, or is about to  
3 engage, in any acts or practices which constitute, or will constitute  
4 a violation of section twenty-five (25) of this Act, the board may  
5 make application to the appropriate court for an order enjoining such  
6 acts or practices, and upon a showing by the board that such person  
7 has engaged, or is about to engage, in any such acts or practices, an  
8 injunction, restraining order, or such other order as may be appro-  
9 priate shall be granted by the court without bond.

1     **SEC. 29. NEW SECTION. Penalty.** Any person who violates any  
2 provisions of section twenty-five (25) of this Act shall be guilty of a  
3 misdemeanor, and upon conviction, shall be subject to a fine of not  
4 more than five hundred dollars, or to imprisonment for not more than  
5 one year, or to both such fine and imprisonment.

6     Whenever the board has reason to believe that any person is liable  
7 to punishment under this section, it may certify the facts to the  
8 attorney general of this state, or to the county attorney of the county  
9 where the person maintains a business office, who may, in his dis-  
10 cretion, cause appropriate charges to be filed.

1     **SEC. 30. NEW SECTION. Competent evidence.** The display or  
2 uttering by a person of a card, sign, advertisement, or other printed,  
3 engraved, or written, instrument or device, bearing a person's name  
4 in conjunction with the words "certified public accountant", "public  
5 accountant", or "accounting practitioner", or any abbreviation  
6 thereof shall be competent evidence in any action brought before sec-  
7 tions twenty-eight (28) or twenty-nine (29) of this Act that the  
8 person whose name is displayed, caused or procured the display or

9 uttering of such card, sign, advertisement, or other printed, en-  
 10 graved, or written instrument or device, and that such person is  
 11 holding himself out to be a certified public accountant, a public  
 12 accountant, or an accounting practitioner registered under section  
 13 twenty (20) of this Act.

14 In any such action evidence of the commission of a single act pro-  
 15 hibited by this Act shall be sufficient to justify an injunction or a  
 16 conviction without evidence of a general course of conduct.

1 SEC. 31. **NEW SECTION. Ownership or transfer of records.** All  
 2 statements, records, schedules, working papers, and memoranda  
 3 made by a certified public accountant, public accountant, or account-  
 4 ing practitioner incident to or in the course of professional service to  
 5 clients by such accountant, except reports submitted by a certified  
 6 public accountant, public accountant, or accounting practitioner to a  
 7 client, shall be and remain the property of such accountant in the  
 8 absence of an express agreement between such accountant and the  
 9 client to the contrary.

10 No such statement, record, schedule, working paper, or memo-  
 11 randa, shall be sold, transferred, or bequeathed, without the consent  
 12 of the client or his personal representative or assignee, to anyone  
 13 other than one or more surviving partners or new partners of the  
 14 accountant or to his corporation.

1 SEC. 32. Chapter one hundred sixteen (116), Code 1973, is re-  
 2 pealed.

1 SEC. 33. The provisions of this Act shall become effective on  
 2 July 1, 1975.

Approved June 3, 1974

## CHAPTER 1130

### BREWERY TAX REBATE

H. F. 1243

AN ACT providing a rebate on the barrel tax for each barrel of beer produced in Iowa by an Iowa-based brewery producing less than fifty thousand barrels annually, and providing an appropriation therefor.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Chapter one hundred twenty-three (123), Code 1973,  
 2 is amended by adding the following new section:

3 **NEW SECTION. Barrel tax rebate.**

4 1. Any class "A" permittee which owns and operates a brewery  
 5 located in Iowa and which manufactures less than fifty thousand bar-  
 6 rels annually is entitled to and may apply for the barrel tax rebate  
 7 provided in subsection two (2) of this section. Any person which,  
 8 together with all other persons controlling, controlled by, or under  
 9 common control with such person, manufactures a total of fifty thou-  
 10 sand or more barrels annually, at one or more locations within or  
 11 without Iowa, shall not be eligible for this rebate.