

**193A—7.1(542) When licensure is required.**

**7.1(1)** Except as provided in subrule 7.1(6), a sole proprietorship, corporation, partnership, limited liability company, or any other form of organization shall apply for a permit to practice as a firm of certified public accountants prior to:

- a.* Performing or offering to perform audit, review or other attest services in Iowa or for a client with a home office in Iowa; or
- b.* Establishing an office in Iowa at which the firm uses the title “CPAs,” “CPA firm,” “certified public accountants,” or “certified public accounting firm.”

**7.1(2)** A firm which is not subject to subrule 7.1(1) may practice public accounting in Iowa or for a client with a home office in Iowa without a permit issued by the board in conformance with Iowa Code section 542.20 and 193A—Chapter 21.

**7.1(3)** Unless individual Iowa licensure is required by the auditor of state, the department of agriculture and land stewardship, other governmental official or body, or a client, the public accounting services provided by a CPA firm holding an Iowa permit to practice may be performed in Iowa or for a client with a home office in Iowa by Iowa CPAs or wholly by persons exercising a practice privilege under Iowa Code section 542.20.

**7.1(4)** If a CPA firm that is issued a permit to practice by the board has one or more offices in Iowa, the public accounting services performed at each such office must be supervised by an Iowa CPA with an unexpired certificate issued under Iowa Code section 542.6 or 542.19.

**7.1(5)** A CPA firm issued a permit to practice by the board is accountable to the board and subject to discipline by the board for the acts of its owners or other agents, pursuant to 193A—subrule 14.2(4), whether or not such persons are individually licensed by the board. In order to ensure public accountability, all CPA firms issued a permit to practice under Iowa Code section 542.7 shall:

- a.* Designate an Iowa CPA or a nonlicensee owner who is responsible for the proper licensure of the firm and the firm’s compliance with all applicable laws and rules of the state;
- b.* Designate an Iowa CPA or Iowa CPAs who are responsible for the proper registration of each Iowa office and each office’s compliance with all applicable laws and rules of this state;
- c.* Designate an Iowa CPA or person with a practice privilege under Iowa Code section 542.20 who is responsible for supervising attest services or who will sign or authorize someone to sign the accountant’s report on behalf of the firm, as such attest services will be performed in Iowa or for a client with a home office in Iowa; and
- d.* Designate an Iowa CPA or LPA or person with a practice privilege under Iowa Code section 542.20 who is responsible for supervising compilation services or who will sign or authorize someone to sign the accountant’s compilation report on financial statements, as such compilation services will be performed in Iowa or for a client with a home office in Iowa.

**7.1(6)** An out-of-state CPA firm exercising a practice privilege may perform attest services in Iowa or for a client with a home office in Iowa without first obtaining a firm permit to practice in Iowa as long as the firm is validly licensed in the state of its principal place of business, complies with Iowa Code sections 542.20(5) and 542.20(6) and associated rules, and complies with the peer review and ownership provisions of Iowa Code section 542.7.

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