

**House File 2124 - Introduced**

HOUSE FILE 2124  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO HSB 522)

**A BILL FOR**

1 An Act exempting review services from specified requirements  
2 otherwise applicable to the performance of attest services  
3 by out-of-state certified public accounting firms.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 542.20, subsection 5, paragraph a, Code  
2 2011, is amended to read as follows:

3 a. The firm shall not perform attest services, other than  
4 review services, in Iowa or for a client having a home office  
5 in Iowa.

6 Sec. 2. Section 542.20, subsection 5, paragraph c, Code  
7 2011, is amended to read as follows:

8 c. The firm may perform compilation or review services only  
9 if it complies with the ownership and peer review requirements  
10 of section 542.7.

11 Sec. 3. Section 542.20, subsection 6, paragraph c, Code  
12 2011, is amended to read as follows:

13 c. An individual who provides attest services, other than  
14 review services, in Iowa or for a client having a home office  
15 in Iowa must practice through a certified public accounting  
16 firm that is licensed under section 542.7.

17 Sec. 4. Section 542.20, subsection 6, Code 2011, is amended  
18 by adding the following new paragraph:

19 NEW PARAGRAPH. h. An individual who provides reviews of  
20 financial statements, as provided in section 542.3, subsection  
21 1, in Iowa or for a client having a home office in Iowa must  
22 provide such services through a certified public accounting  
23 firm that is validly licensed in the state of its principal  
24 place of business and complies with the peer review and  
25 ownership provisions of section 542.7.

26 EXPLANATION

27 This bill exempts review services performed by out-of-state  
28 certified public accounting firms from permit to practice  
29 requirements otherwise applicable to the performance of attest  
30 services by such firms. Review services are included within  
31 the definition of "attest services" pursuant to Code section  
32 542.3, subsection 1. The bill requires review services to  
33 be provided through a certified public accounting firm that  
34 is validly licensed in the state of its principal place of  
35 business and subjects the performance of such services to

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1 ownership and peer review provisions contained in Code section  
2 542.7.