

Senate File 477 - Introduced

SENATE FILE 477
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO SSB 1141)

(COMPANION TO LSB 1872HV BY
COMMITTEE ON STATE GOVERNMENT)

A BILL FOR

1 An Act relating to qualifications for a certificate as a
2 certified public accountant and including effective date
3 provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 542.5, subsection 7, Code 2025, is amended
2 by striking the subsection and inserting in lieu thereof the
3 following:

4 7. a. An applicant for initial issuance of a certificate
5 shall meet all of the requirements of either subparagraph (1) or
6 subparagraph (2):

7 (1) The applicant meets all of the following:

8 (a) The applicant has completed at least one hundred fifty
9 semester hours, or the trimester or quarter equivalent of one
10 hundred fifty semester hours, of college education.

11 (b) The applicant has a degree.

12 (c) The applicant has no less than one year of experience.

13 (2) The applicant meets all of the following:

14 (a) The applicant has completed at least one hundred twenty
15 semester hours, or the trimester or quarter equivalent of one
16 hundred twenty semester hours, of college education.

17 (b) The applicant has a degree.

18 (c) The applicant has no less than two years of experience.

19 b. A degree required under paragraph "a" must be at least a
20 baccalaureate degree and be conferred by a college or university
21 recognized by the board, and the degree program must include a
22 concentration in accounting or another area of study that the
23 board determines to be substantially equivalent.

24 c. Experience required under paragraph "a" must include
25 providing any type of service or advice involving the use of
26 accounting, attest, compilation, management advisory, financial
27 advisory, tax, or consulting, as verified by an applicant, that
28 meets the requirement prescribed by the board by rule. The
29 experience may be in the government, industry, academia, or
30 public sector.

31 Sec. 2. Section 542.5, subsection 12, Code 2025, is amended
32 by striking the subsection.

33 Sec. 3. Section 542.5, subsection 13, Code 2025, is amended
34 to read as follows:

35 13. A person holding a certificate as a certified public

1 accountant issued by the state prior to July 1, ~~2002~~ 2025, is
2 deemed to have met the requirements of this section.

3 Sec. 4. Section 542.19, subsection 1, paragraph c,
4 subparagraph (2), Code 2025, is amended to read as follows:

5 (2) The applicant has at least four years of experience
6 within the ten years immediately preceding the application which
7 occurred after passing the examination upon which the applicant's
8 certificate or license was based and which in the board's opinion
9 is substantially equivalent to that required by section 542.5,
10 subsection ~~4~~ 7; and,

11 Sec. 5. Section 542.19, subsection 3, paragraph c,
12 subparagraph (2), Code 2025, is amended to read as follows:

13 (2) The applicant satisfies an experience requirement,
14 substantially equivalent to the requirement set out in section
15 542.5, subsection ~~4~~ 7, in the jurisdiction which issued the
16 foreign designation or has completed four years of professional
17 experience in this state; or meets equivalent requirements
18 prescribed by the board by rule, within the ten years immediately
19 preceding the application.

20 Sec. 6. Section 542.20, subsection 1, Code 2025, is amended
21 to read as follows:

22 1. This section authorizes a person or firm whose principal
23 place of business is not in this state to practice public
24 accounting in Iowa in person, or by telephone, mail, or
25 electronic means without licensure under this chapter, paying
26 a fee, or providing notice to the board under the conditions
27 described in this section. Such a person or firm must hold
28 a valid, unexpired license in good standing in the state of
29 ~~its~~ the person's or firm's principal place of business ~~that is~~
30 ~~substantially equivalent to a comparable license issued in Iowa~~
31 in conformance with subsections 5 and 6, and such a person or
32 firm must be licensed to lawfully perform in ~~its~~ the person's or
33 firm's principal place of business all public accounting services
34 offered or rendered under a practice privilege in Iowa.

35 Sec. 7. Section 542.20, subsection 6, paragraph a, Code 2025,

1 is amended to read as follows:

2 a. The individual must meet the criteria for substantial
3 ~~equivalency reciprocity under section 542.19, subsection 1,~~
4 ~~paragraph "a", "b", or "c" set forth in subsections 7 and 8.~~

5 Sec. 8. Section 542.20, subsection 7, Code 2025, is amended
6 by adding the following new paragraph:

7 NEW PARAGRAPH. e. Complies with the requirements of this
8 chapter, and all rules adopted by the board.

9 Sec. 9. EFFECTIVE DATE. This Act takes effect July 1, 2026.

10

EXPLANATION

11

The inclusion of this explanation does not constitute agreement with

12

the explanation's substance by the members of the general assembly.

13

This bill relates to the qualifications for a certificate
14 as a certified public accountant and the practice of public
15 accounting, and includes effective date provisions.

16

Under the bill, an applicant for initial issuance of a
17 certificate as a certified public accountant (CPA) shall have
18 completed at least 150 semester hours of college education, a
19 degree, and no less than one year of experience, or shall have
20 completed at least 120 semester hours of college education, a
21 degree, and no less than two years of experience. A degree
22 required by the bill must be at least a baccalaureate degree
23 and be conferred by a college or university recognized by the
24 board, and the degree program must include a concentration in
25 accounting or another area of study that the board determines
26 to be substantially equivalent. The experience required by
27 the bill shall include providing any type of service or advice
28 involving the use of accounting, attest, compilation, management
29 advisory, financial advisory, tax, or consulting, as verified by
30 an applicant, that meets the requirements prescribed by the board
31 by rule. The experience may be in the government, industry,
32 academia, or public sector.