

38 "1766-a6. Every licensed and bonded dealer of skins or hides of
39 the animals named and described in this act, may have in his posses-
40 sion at all times, skins or hides of said animals which have been
41 legally taken. Any trapper desiring to hold any skins or hides of any
42 of the animals named and described in this act, beyond the period
43 authorized by this act, shall file with the state fish and game depart-
44 ment, an application for a permit so to do, which shall be accompanied
45 by an affidavit describing said skins or hides, and stating that they
46 have been taken legally by him."

1 SEC. 5. This act being deemed of immediate importance shall take
2 effect from and after its publication in the Waterloo Evening Courier,
3 published at Waterloo, Iowa, and the Fort Dodge Messenger, pub-
4 lished at Fort Dodge, Iowa.

Senate File No. 298. Approved April 6, A. D. 1929.

I hereby certify that the foregoing act was published in the Waterloo Evening
Courier April 10, 1929, and the Ft. Dodge Messenger, April 11, 1929.

ED. M. SMITH, *Secretary of State.*

CHAPTER 59

ACCOUNTANCY

AN ACT to repeal the law as it appears in chapter ninety-one (91) title V of the code, 1927, and to enact a substitute therefor relating to the practice of accountancy; to establish a board of accountancy and to provide for the examination, registration and licensing of practitioners of accountancy; to provide rules and regulations concerning the practice thereof and to provide penalties for violation thereof.

Be it enacted by the General Assembly of the State of Iowa:

1 SECTION 1. **Repeal.** Chapter ninety-one (91), title V of the code,
2 1927, is repealed and the following is enacted in lieu thereof:

1 SEC. 2. **Board of accountancy—appointment—tenure.** The board
2 of accountancy shall consist of three (3) members, all of whom shall
3 be practicing certified public accountants, having practiced account-
4 ancy in this state for at least five (5) years. Within sixty (60) days
5 after this act takes effect, the governor shall appoint the members of
6 said board for terms as follows: one (1) for a term ending June
7 30th, 1930, one (1) for a term ending June 30th, 1931; and one (1)
8 for a term ending June 30th, 1932, and upon the expiration of each
9 of said terms and of each succeeding term, a member shall be ap-
10 pointed for a term of three (3) years but no person shall be eligible
11 for more than two (2) consecutive terms of office. Vacancies occur-
12 ring in the membership of the board for any cause shall be filled by
13 the governor for the unexpired term.

1 SEC. 3. **Powers and duties.** The board shall have power and it shall
2 be its duty to: (1) adopt, print, publish, and distribute reasonable
3 rules not inconsistent with the provisions of this act for the guidance
4 of the public, registered practitioners, and applicants for examination;
5 (2) compel the attendance of witnesses; (3) administer oaths; (4)
6 take testimony; (5) require proof in all matters pertaining to the
7 administration of this act; (6) keep a record of all their proceedings

8 including applications for examinations, registration, and certificates
9 to practice showing the reasons for the refusal of any such applica-
10 tion or for the revocation or suspension of any registration or cer-
11 tificate to practice; (7) preserve testimony taken in all hearings pro-
12 vided for in this act. Testimony may be oral or by deposition; and
13 when oral the questions and answers shall be taken down by a cer-
14 tified shorthand reporter and full transcripts thereof made for the
15 use of the parties interested; (8) the treasurer elected shall upon
16 assuming office file with the auditor of state a good and sufficient
17 bond in a company authorized to do business in this state in the penal
18 sum of \$5,000.00 and shall on or before June 30th in each year, pay
19 all sums remaining after the payment of the expenses authorized by
20 this act into the state treasury to be there carried to the credit of
21 and subject to withdrawal by the board of accountancy; (9) the
22 board shall make a biennial report to the governor of its proceedings,
23 with an account of all moneys received and disbursed, a list of the
24 names of all practitioners whose certificates to practice have been
25 revoked or suspended, and such other information as it may deem
26 proper or the governor request, and do all other things required by
27 this act to be done by said board.

1 **SEC. 4. Annual register.** The board of accountancy shall have
2 printed and published for public distribution, in January of each year,
3 an annual register which shall contain the names, arranged alpha-
4 betically by classifications, of all practitioners registered under this
5 act; the names of the board of accountancy; and such other matters
6 as may be deemed proper by the board of accountancy. Copies of
7 said reports shall be mailed to each registered practitioner.

1 **SEC. 5. No compensation—expenses.** No compensation shall be
2 paid to any member of the board for services as such, but the mem-
3 bers thereof shall be allowed the necessary traveling, printing and
4 other expense incident to the discharge of their duties. Bills for the
5 expense of the board or its members shall be audited and allowed by
6 the state board of audit and shall be paid from the fees received under
7 the provisions of this act.

1 **SEC. 6. Annual meetings—election.** The board shall hold an annual
2 meeting during the first week in July of each year, and a special
3 meeting within sixty days after this act takes effect, for the purpose
4 of electing from its accountant members, a chairman, a secretary and
5 a treasurer; and it shall meet not less than four times each year, at
6 least two of which meetings shall be held at the state house. Two
7 members shall constitute a quorum except as otherwise provided.

1 **SEC. 7. Definitions—practice of accountancy.** All persons engaged
2 in the practice of accountancy, within the meaning and intent of this
3 act, who, holding themselves out to the public as qualified practi-
4 tioners and maintaining an office for this purpose, either in their own
5 names, or as office managers and/or as managing officers of assumed
6 name, association or corporate organization, perform for compensa-
7 tion, on behalf of more than one client, a service which requires the
8 audit or verification of financial transactions and accounting records;
9 the preparation, verification and certification of financial, accounting,
10 and related statements for publication or for credit purposes; and/or

11 who in general and incidental to such work, render professional as-
12 sistance in any and all matters of principal and detail concerning
13 accounting procedure and the recording, presentation and certification
14 of financial facts.

1 **SEC. 8. Other terms defined.**

2 (a) A *certified public accountant* is a person who receives from
3 the board of accountancy of the state, a certificate under any law of
4 the state relating to certified public accountants and which certificate
5 has not been revoked under due process of law; and is entitled to use
6 the abbreviation C.P.A. in connection with his name. All other prac-
7 titioners may use their title in full as stated herein and no other.

8 (b) A *public accountant* is a person who is engaged in the practice
9 of accountancy at the time of enactment of this act and who is not a
10 certified public accountant, but who can qualify as a practitioner
11 under the provisions of section 7 of this act.

12 (c) A *senior accountant or senior staff accountant* means a person
13 employed by a practitioner entitled to registration under this act,
14 and who, through the experience deemed necessary by his employer,
15 has qualified and has been placed in charge of public accounting
16 assignments.

17 (d) A *junior accountant* is a person who, through lack of experi-
18 ence, is required to work under the supervision of a senior accountant
19 or a practitioner as herein defined.

20 (e) "*Office*", as used in section 7, means one or more office rooms
21 through which public accounting work is handled.

22 (f) "*Office managers and/or managing officers*" as used in sec-
23 tion 7, means persons having charge of public accountancy work
24 handled through an office as defined in paragraph (e) of this section.

1 **SEC. 9. Examination.** All applicants for registration and certifi-
2 cates to practice accountancy, except persons actually engaged in such
3 practice at the date of the passage of this act, and except as provided
4 in sections 11, 12, and 13, and all persons who desire to become cer-
5 tified public accountants shall be required to take a written examina-
6 tion to be conducted by the board of accountancy, and upon satisfac-
7 torily passing the same shall receive certificates as certified public
8 accountants and shall be entitled to practice as such upon the payment
9 of annual fees as in this act provided.

10 Such examination shall be upon the following subjects: Theory
11 of accounts, practical accounting, auditing, taxation, general commer-
12 cial knowledge, and commercial law.

13 Examinations as above provided shall be conducted by the board
14 of accountancy at least once each year in May or November, or both,
15 as the board may deem expedient.

16 The board shall at its meetings establish the time and place of
17 holding such examinations, and shall cause to be published a notice
18 thereof for not less than three consecutive days in each of three daily
19 newspapers published in this state, the last publication to be not less
20 than sixty days prior to such examination, and shall notify all candi-
21 dates of their success or failure within a reasonable time, stating the
22 grade received on each paper or subject.

1 **SEC. 10. Qualifications for examination.** Every applicant for the

2 examination provided for in the preceding section must be over
3 twenty-one years of age, a resident of this state, a citizen of the
4 United States or have declared his or her intention to become such,
5 of good moral character, a graduate of a high school having at least
6 a four-year course of study or its equivalent as determined by the
7 board of accountancy, or shall pass a preliminary examination to be
8 given by the board at least thirty days before the regular examina-
9 tion; and a graduate of a college or university commerce course of at
10 least three years, majoring in accounting, and in addition shall have
11 had at least one year's service as a staff accountant in the employ of
12 a practitioner entitled to registration under this act.

13 The following shall, however, be accepted in lieu of the college or
14 university commerce course and the one year of service:

15 (a) Three years continuous practical accounting experience as a
16 public accountant or as a staff accountant.

17 (b) Three years continuous employment as a field examiner under
18 a revenue agent-in-charge of the income tax bureau of the treasury
19 department of the United States, or as a field examiner in the audi-
20 tors, budget directors, banking or insurance departments of this state.

1 **SEC. 11. Oral or written examination.** All practitioners as de-
2 scribed in section seven (7) who on June 30th, 1929, shall have been
3 engaged in such practice for seven years or more, the last five years
4 of which shall have been in this state, shall upon satisfactorily pass-
5 ing an examination upon the practical principles and practice of ac-
6 countancy, be issued certificates to practice as certified public account-
7 ants provided request for such examination is made in the original
8 application for registration on or before September 30th, 1929. The
9 examinations as provided in this section shall be either written or
10 oral at the option of the applicant, and shall be held as soon as pos-
11 sible after the application has been received by the state board of
12 accountancy or the board of accountancy as created by this act and
13 certificates shall be issued within twenty days after the date of such
14 examination to all who successfully pass the same. When an oral
15 examination is taken by an applicant, the questions and answers shall
16 be fully taken down by a certified shorthand reporter.

17 All practitioners as defined by section seven (7) who were engaged
18 in such practice in the state of Iowa at the date of the taking effect
19 of chapter one hundred thirty-four (134) of the acts of the thirty-
20 sixth general assembly and who shall have been continuously engaged
21 in such practice in this state since the passage of said act shall upon
22 application to the board of accountancy be issued certificates as cer-
23 tified public accountants as of date September 30, 1929, without
24 examination.

1 **SEC. 12. Registration of practitioners.** All practitioners engaged
2 in the practice of accountancy in this state at the time of the passage
3 of this act who desire to continue in such practice, shall upon appli-
4 cation to the board of accountancy on or before September 30, 1929, be
5 registered as follows:

6 (a) All persons entitled to certificates under this act prior to
7 September 30, 1929, as certified public accountants, shall be registered
8 as certified public accountants and be issued certificates before Decem-
9 ber 31, 1929, to practice as such for the ensuing year.

10 (b) All other practitioners shall be registered as public account-
11 ants and shall be issued certificates before December 31, 1929, to
12 practice as such for the ensuing year.

13 (c) All practitioners who, in connection with the practice of ac-
14 countancy, make use of a firm, association, assumed or corporate
15 name, shall register the same at the time of making application for
16 registration as herein provided, and certificates to practice shall be
17 issued only in the names of individuals; and only firms whose mem-
18 bers are all certified public accountants shall use such designation in
19 connection with the use of such firm names.

1 SEC. 13. **Registration of applicants to practice.** All applicants for
2 registration and certificates to practice accountancy for whom no
3 provision is made in the preceding sections, shall be required to take
4 and pass the examination provided for in section 9, except as follows:

5 (a) The holders of unrevoked certified public accountant certifi-
6 cates granted in this state prior to September 30, 1929, and who are
7 not engaged in practice at that time may register their certificates
8 in December, 1929.

9 (b) The holders of unrevoked certified public accountant certifi-
10 cates granted by other states or of equivalent certificates granted by
11 the recognized authority of foreign countries may register their cer-
12 tificates, provided such certificates were issued as the result of an
13 examination which, in the judgment of the board of accountancy, was
14 equivalent to the standard set by it, or the holders thereof shall have
15 been in continuous practice thereunder for at least seven (7) years.

16 (c) All senior accountants who have been continuously employed
17 as such for at least three years prior to June 30, 1929, by practitioners
18 entitled to registration under this act or as senior accountants in the
19 employ of public accountants of recognized standing in other states
20 shall be registered as public accountants, provided the last year of
21 such employment shall have been in this state.

22 (d) Certificates to practice either as certified public accountants
23 or public accountants, shall not be issued to any person referred to
24 herein until such person shall have filed with the board of accountancy
25 a written declaration of intention to practice as defined by this act.

1 SEC. 14. **Oath.** Every applicant for certificate to practice account-
2 ancy shall be required, prior to the issuance thereof, to subscribe and
3 file with the board the following oath: I do solemnly swear (or
4 affirm) that I will support the constitution of the United States and
5 the constitution of the state of Iowa, and that I will faithfully and
6 conscientiously perform the duties of a practitioner of accountancy
7 to the best of my ability and in accordance with the law.

8 (a) Every person having been granted a certificate to practice
9 accountancy under the provisions of this act, or any renewal thereof,
10 shall give a bond in the sum of five thousand dollars (\$5000.00) to
11 the auditor of state before entering upon the discharge of his duties
12 for the faithful performance of the same.

1 SEC. 15. **Fees.** The board of accountancy shall collect the follow-
2 ing fees:

3 (a) For examination of applicants, the sum of \$25.00.

4 (b) For registration of certified public accountants certificates
5 granted by other states and foreign countries, the sum of \$25.00.

6 (c) For issuance of certificates to practice, the sum of \$10.00 in
7 December 1929, and annually thereafter; for periods of less than six
8 months, \$5.00.

9 (d) For registration of firm, assumed, association or corporate
10 names; of certified public accountants not in practice; and of senior
11 accountants entitled thereto, the sum of \$5.00 payable in December
12 1929, and annually thereafter.

13 On the failure of payment of any of the annual fees above provided,
14 the registration shall be automatically cancelled and any registrant
15 so defaulting shall not be entitled to receive a certificate to practice
16 until he or she shall have paid the registration fee as provided herein,
17 together with the amount of such default or arrears.

1 SEC. 16. **Renewal of certificates.** Registrations and certificates to
2 practice shall be subject to renewal in December, of each year upon
3 payment of the fees provided by this act.

1 SEC. 17. **Revocation of registration and certificates to practice.** The
2 board of accountancy shall revoke and cancel the registration or cer-
3 tificate to practice of any person upon proof that the holder thereof
4 has been convicted of a felony or any lesser offense involving dis-
5 honesty or fraud; or has been principal or accessory to the issuance
6 or certification of false or fraudulent financial or related statements;
7 or has obtained registration and certificate to practice or either by
8 means of false statements or representations; or may suspend such
9 registration and certificates or either upon proof that the holder
10 thereof has been guilty of unprofessional or unethical conduct in con-
11 nection with the practice of accountancy. Such suspension shall be
12 for such period of time, not exceeding one year, as in the discretion
13 of the board shall be deemed appropriate.

14 Neither revocation nor suspension as herein provided shall be or-
15 dered by the board until a written notice stating the name of the
16 person or persons who filed the charges, or that the board initiated
17 the charges; a full and complete copy of the charges which have been
18 preferred; and fixing the time and place where the hearing shall be
19 had; shall have been served upon the person against whom such
20 charges are filed in the manner of serving original notices in the dis-
21 trict court of Iowa, at least twenty (20) days before the date fixed
22 for hearing.

23 The board may adjourn such hearing from time to time upon re-
24 quest of the party charged, for the purpose of a fair hearing, and the
25 certificate holder shall have the right to be represented by counsel.

26 All hearings as herein provided shall be before the full board, and
27 a two-thirds vote of the members thereof shall be required before any
28 cancellation, revocation or suspension shall be ordered.

29 The district court is empowered to enforce by proper proceedings
30 the provisions of this chapter relating to the attendance and testi-
31 mony of witnesses and the examination of books and records.

1 SEC. 18. **Confidential information—privilege.** The information ac-
2 quired by registered practitioners or their employees, agents, or serv-
3 ants in the course of professional engagements shall be deemed con-

4 fidential and privileged, and except by written permission of the clients
5 involved, or of their heirs or personal representatives, shall not be
6 disclosed to any person; provided, however, that nothing contained in
7 this section shall be construed to modify, change, or otherwise affect
8 the criminal or bankruptcy laws of this state or of the United States.

1 **SEC. 19. Corporations not to practice.** Articles of incorporation
2 shall not, after the passage of this act, be granted which include
3 among their objects, the practice of accountancy, but nothing con-
4 tained in this act shall be construed to alter, abridge, revoke or in any
5 manner affect the rights and powers of existing corporations.

1 **SEC. 20. Unlawful practice.** It shall be unlawful after September
2 30, 1929, for any person to practice accountancy in this state as defined
3 in this act either as an individual or as a member of any firm or
4 association or under a firm, assumed or corporate name, whether
5 maintaining an office for such practice or not, unless such person is
6 the holder of a certificate to practice for the current year or is entitled
7 to registration as in this act provided and has made application
8 therefor.

1 **SEC. 21. Penalties.** (a) Any person, firm or corporation who shall
2 practice accountancy in this state in violation of the provisions of this
3 act, or who shall in any manner hold themselves out to the public as
4 practitioners of accountancy without having complied with all of the
5 provisions of this act, shall for each such offense be guilty of a mis-
6 demeanor, and upon conviction thereof shall be punished by imprison-
7 ment in the county jail not exceeding thirty days, or by a fine not
8 exceeding \$100.00, or by both such fine and imprisonment.

9 (b) Any person, firm or corporation who shall sign, execute, or
10 publish any report, financial, accounting, or related statement, desig-
11 nating himself or themselves as registered or certified practitioners
12 or knowingly permit the printing and publication of any announce-
13 ment in writing to the effect that such report or statement has been
14 prepared by a registered or certified practitioner when in fact the
15 person, firm, or corporation preparing the same was not registered
16 or certified as in this act provided, shall be guilty of a misdemeanor,
17 and upon conviction thereof, shall be punished by a fine not to exceed
18 \$500.00 or by imprisonment in the county jail for a term not exceed-
19 ing one year.

20 (c) Any practitioner of accountancy who shall wilfully or know-
21 ingly utter or certify to the correctness of any report, financial, ac-
22 counting, or related statement, which is known to such practitioner
23 to be false, misleading to the public, or designed to mislead any per-
24 son, shall be deemed guilty of a felony, and upon conviction thereof
25 shall be punished by a fine of not to exceed \$5,000.00, or by imprison-
26 ment in the state prison for a term not exceeding two years, or by
27 both such fine and imprisonment in the discretion of the court.

1 **SEC. 22. Exceptions.** Nothing contained in this act shall be con-
2 strued to prevent:

3 (a) The holders of certified public accountant certificates granted
4 by other states from practicing in this state in connection with tem-
5 porary engagements incident to their professional practice in the
6 states of their domicile but, who have neither office nor legal address

7 in this state; provided they file with the board of accountancy, and
 8 with the auditor of state, at least five days before commencing work
 9 for a client, the written appointment of a registered practitioner in
 10 this state to act as agent upon whom legal service may be had in all
 11 matters which may arise from such temporary professional engage-
 12 ments.

13 (b) The employment by registered practitioners of non-registered
 14 persons to serve as staff accountants provided the latter do not issue
 15 reports or accounting statements in their own names except such
 16 office records as may be customary.

17 (c) Attorneys-at-law duly admitted to practice in this state from
 18 doing anything usual and proper in connection with their duties as
 19 such attorneys.

20 (d) The employment of persons by more than one individual firm
 21 or corporation for the purpose of keeping books, making trial bal-
 22 ances, or performing general commercial bookkeeping.

1 **SEC. 23. Existing board dissolved.** The state board of account-
 2 ancy in existence at the passage of this act by virtue of chapter 91
 3 of code of 1927, repealed herein, shall continue in existence until
 4 August 4, 1929, and until the board provided for in this act shall have
 5 been appointed and qualified, for the purpose of issuing certified public
 6 accountant certificates to persons who have become entitled thereto,
 7 prior to August 4, 1929, and for the purpose of winding up the affairs
 8 of said board.

1 **SEC. 24. Constitutionality.** Should the courts of this state or of
 2 the United States declare any of the provisions of this act uncon-
 3 stitutional, illegal, or void, such decision shall not invalidate any other
 4 provision herein contained.

House File No. 207. Approved April 13, A. D. 1929.

CHAPTER 60

INTOXICATING LIQUORS

AN ACT to repeal the law as it appears in section twenty hundred twelve (2012) and section twenty hundred thirteen (2013), of the code, 1927, and to enact a substitute therefor providing for the disposal of conveyances seized when used in the illegal transportation of intoxicating liquor.

Be it enacted by the General Assembly of the State of Iowa:

1 **SECTION 1.** That the law as it appears in section twenty hundred
 2 twelve (2012) and section twenty hundred thirteen (2013) of the
 3 code, 1927, is hereby repealed and the following enacted in lieu
 4 thereof:

5 "2012. On the hearing the court shall determine whether any
 6 claim or lien shall be allowed. If allowed, he shall enter an order fix-
 7 ing therein the amount and priority of all such claims or liens allowed,
 8 and shall enter such further order for the protection of the claimants
 9 or lienholders as the evidence may warrant."

10 "2013. Whenever a judgment of forfeiture has been entered by
 11 any court, directing the sale of a conveyance under the provisions of