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SENATE BILL 5434

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State of Washington

61st Legislature

2009 Regular Session

By Senators Marr, Holmquist, Kohl-Welles, and Shin; by request of State Board of Accountancy

Read first time 01/22/09. Referred to Committee on Labor, Commerce & Consumer Protection.

1 AN ACT Relating to prohibited practices in accountancy; and  
2 amending RCW 18.04.345.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 18.04.345 and 2008 c 16 s 5 are each amended to read  
5 as follows:

6 (1) No individual may assume or use the designation "certified  
7 public accountant-inactive" or "CPA-inactive" or any other title,  
8 designation, words, letters, abbreviation, sign, card, or device  
9 tending to indicate that the individual is a certified public  
10 accountant-inactive or CPA-inactive unless the individual holds a  
11 certificate. Individuals holding only a certificate may not practice  
12 public accounting.

13 (2) No individual may hold himself or herself out to the public or  
14 assume or use the designation "certified public accountant" or "CPA" or  
15 any other title, designation, words, letters, abbreviation, sign, card,  
16 or device tending to indicate that the individual is a certified public  
17 accountant or CPA unless the individual qualifies for the privileges  
18 authorized by RCW 18.04.350(2) or holds a license under RCW 18.04.105  
19 and 18.04.215.

1 (3) No firm with an office in this state may (~~practice public~~  
2 ~~accounting in this state~~) perform or offer to perform attest services  
3 as defined in RCW 18.04.025(1) or compilation services as defined in  
4 RCW 18.04.025(6) or assume or use the designation "certified public  
5 accountant" or "CPA" or any other title, designation, words, letters,  
6 abbreviation, sign, card, or device tending to indicate that the firm  
7 is composed of certified public accountants or CPAs, unless the firm is  
8 licensed under RCW 18.04.195 and all offices of the firm in this state  
9 are maintained and registered under RCW 18.04.205.

10 (4) No firm may perform the services defined in RCW 18.04.025(1)  
11 (a), (c), or (d) for a client with its home office in this state unless  
12 the firm is licensed under RCW 18.04.195, renews the firm license as  
13 required under RCW 18.04.215, and all offices of the firm in this state  
14 are maintained and registered under RCW 18.04.205.

15 (5) No individual, partnership, limited liability company, or  
16 corporation offering public accounting services to the public may hold  
17 himself, herself, or itself out to the public, or assume or use along,  
18 or in connection with his, hers, or its name, or any other name the  
19 title or designation "certified accountant," "chartered accountant,"  
20 "licensed accountant," "licensed public accountant," "public  
21 accountant," or any other title or designation likely to be confused  
22 with "certified public accountant" or any of the abbreviations "CA,"  
23 "LA," "LPA," or "PA," or similar abbreviations likely to be confused  
24 with "CPA."

25 (6) No licensed firm may operate under an alias, a firm name,  
26 title, or "DBA" that differs from the firm name that is registered with  
27 the board.

28 (7) No individual with an office in this state may sign, affix, or  
29 associate his or her name or any trade or assumed name used by the  
30 individual in his or her business to any report prescribed by  
31 professional standards unless the individual holds a license to  
32 practice under RCW 18.04.105 and 18.04.215, a firm holds a license  
33 under RCW 18.04.195, and all of the individual's offices in this state  
34 are registered under RCW 18.04.205.

35 (8) No individual licensed in another state may sign, affix, or  
36 associate a firm name to any report prescribed by professional  
37 standards, or associate a firm name in conjunction with the title  
38 certified public accountant, unless the individual:

1 (a) Qualifies for the practice privileges authorized by RCW  
2 18.04.350(2); or

3 (b) Is licensed under RCW 18.04.105 and 18.04.215, and all of the  
4 individual's offices in this state are maintained and registered under  
5 RCW 18.04.205.

6 (9) No individual, partnership, limited liability company, or  
7 corporation not holding a license to practice under RCW 18.04.105 and  
8 18.04.215, or firm not licensed under RCW 18.04.195 or firm not  
9 registering all of the firm's offices in this state under RCW  
10 18.04.205, or not qualified for the practice privileges authorized by  
11 RCW 18.04.350(2), may hold himself, herself, or itself out to the  
12 public as an "auditor" with or without any other description or  
13 designation by use of such word on any sign, card, letterhead, or in  
14 any advertisement or directory.

15 (10) For purposes of this section, because individuals practicing  
16 using practice privileges under RCW 18.04.350(2) are deemed  
17 substantially equivalent to licensees under RCW 18.04.105 and  
18 18.04.215, every word, term, or reference that includes the latter  
19 shall be deemed to include the former, provided the conditions of such  
20 practice privilege, as set forth in RCW 18.04.350 (4) and (5) are  
21 maintained.

22 (11) Notwithstanding anything to the contrary in this section, it  
23 is not a violation of this section for a firm that does not hold a  
24 valid license under RCW 18.04.195 and that does not have an office in  
25 this state to provide its professional services in this state so long  
26 as it complies with the requirements of RCW 18.04.195(1)(b).

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