

**CHAPTER 4701-7
CERTIFICATION AND LICENSING**

4701-7-01 Certificate of certified public accountant.

(A) The board may issue an original CPA certificate to any person who:

- (1) Does not hold a foreign certificate issued by any other state, territory, or political subdivision of the United States;
- (2) Is eighteen years of age;
- (3) Is of good moral character as defined in division (V) of section 4701.01 of the Revised Code;
- (4) Has successfully completed the CPA examination required by division (E) of section 4701.06 of the Revised Code as an Ohio candidate;
- (5) Has completed a course in professional standards and responsibilities approved by the board;
- (6) Has fulfilled the residence requirement described in rule 4701-3-01 of the Administrative Code;
- (7) Has completed the experience requirement described in rule 4701-7-05 of the Administrative Code, and
- (8) Completes a criminal records check in accordance with section 4701.08 of the Revised Code.

(B) The board may issue an original CPA certificate by transfer of grades to any person who:

- (1) Does not hold a foreign certificate issued by any other state, territory, or political subdivision of the United States;
- (2) Is eighteen years of age;
- (3) Is of good moral character as defined in division (V) of section 4701.01 of the Revised Code;
- (4) Has successfully completed the CPA examination required by division (E) of section 4701.06 of the Revised Code as a candidate of another state;
- (5) Has completed a course in professional standards and responsibilities approved by the board;
- (6) Has fulfilled the residence requirement described in paragraph (A) of rule 4701-3-01 of the Administrative Code at the time of application for the CPA certificate;
- (7) Has completed the experience requirement described in rule 4701-7-05 of the Administrative Code, and
- (8) Completes a criminal records check in accordance with section 4701.08 of the Revised Code.

(C) The board may issue a CPA certificate by reciprocity to the holder of any valid or unrevoked foreign certificate issued by another state, territory, or political subdivision of the United States, who:

- (1) Is eighteen years of age;
- (2) Is of good moral character as defined in division (V) of section 4701.01 of the Revised Code;
- (3) Meets the education and experience requirements in effect in Ohio at the time of application for the CPA certificate, or who meets substantially equivalent requirements as determined by the board;
- (4) Has completed a course in professional standards and responsibilities approved by the board;
- (5) Completes a criminal records check in accordance with section 4701.08 of the Revised Code, and
- (6) Does not comply with the provisions of division (I) of section 4701.14 of the Revised Code.

(D) The board may issue a CPA certificate by substantial equivalency to the holder of any valid or unrevoked foreign certificate issued by another state, territory, or political subdivision of the United States, who:

- (1) Is eighteen years of age;
- (2) Is of good moral character as defined in division (V) of section 4701.01 of the Revised Code;
- (3) Meets education and experience requirements that are substantially equivalent to those in Ohio either at the time of application for the foreign certificate, or at the time of application for the CPA certificate;
- (4) Has completed a course in professional standards and responsibilities approved by the board;
- (5) Completes a criminal records check in accordance with section 4701.08 of the Revised Code, and
- (6) Complies with the provisions of division (I) of section 4701.14 of the Revised Code.

HISTORY: Effective Dates 1/17/75, 9/19/94, 12/9/97, 8/5/99, 7/31/03, 9/14/07, 7/31/08

Rule promulgated under: RC 119.03

Rule authorized by: RC 4701.06

Rule amplifies: RC 4701.06, 4701.14

119.032 review date: 7/31/2013

4701-7-02 Substantial equivalency; comparability.

(A) The board may rely on the "National Qualifications Appraisal Service" of the "National Association of State Boards of Accountancy" to assist it in determining the states that have, with respect to Ohio, substantially equivalent requirements for the CPA certificate in accordance with the provisions of division (E) of section 4701.06 of the Revised Code. The board shall maintain a list of states meeting the requirements.

(B) The board may rely on the "International Qualifications Appraisal Board" to assist it in determining the countries that have, with respect to Ohio, comparable requirements for the CPA certificate in accordance with the provisions of division (E) of section 4701.06 of the Revised Code. The board shall maintain a list of countries meeting the requirements.

HISTORY: Effective Dates 8/5/99, 7/31/03, 7/16/09

Rule promulgated under: RC 119.03

Rule authorized by: RC 4701.06, 4701.14

Rule amplifies: RC 4701.06, 4701.14

119.032 review date: 7/16/2014

4701-7-03 Reinstatement fee (Rescinded 7-31-03)**4701-7-04 Practice of public accounting and regulated services.**

(A) "Practice of public accounting" means any of the following:

(1) The performance of or offering to perform any engagement that will result in the issuance of any report in accordance with the professional standards defined in rule 4701-9-03, 4701-9-04, 4701-9-05, or 4701-9-06 of the Administrative Code.

(2) The performance of or offering to perform services other than those described in paragraph (A)(1) of this rule, such as consulting services, personal financial planning services, or the preparation of tax returns or the furnishing of advice on tax matters by a sole proprietorship, partnership, limited liability company, professional association, corporation or other business organization, that advertises to the public as a "certified public accountant," "CPA," "public accountant," or "PA."

(B) A certified public accountant or public accountant who performs or offers to perform any services described in paragraph (A) of this rule must hold an Ohio permit and be affiliated with a registered firm.

(C) "Regulated services" means the performance of or offering to perform any of the following services by a certified public accountant or public accountant who uses the designation "certified public accountant," "CPA," "public accountant," or "PA" in association with those services and who is not affiliated with a registered firm:

(1) Consulting services in accordance with the professional standards defined in rule 4701-9-08 of the Administrative Code;

(2) Tax services in accordance with the professional standards defined in rule 4701-9-09 of the Administrative Code;

(3) Preparing financial reports, signing financial reports, preparing reports on internal controls, and signing reports on internal controls.

(D) A certified public accountant or public accountant who performs or offers to perform any services described in paragraph (C) of this rule must hold an Ohio permit.

HISTORY: Effective Dates 11/4/94, 9/20/96, 12/9/97, 1/1/99, 8/5/99, 7/31/03, 8/25/05, 7/27/06, 1/3/07

Rule promulgated under: RC 119.03

Rule authorized by: RC 4701.03

Rule amplifies: RC 4701.01, 4701.04

Rule replaces: 4701-1-09

119.032 review date: 1/3/2012

4701-7-05 Experience for the CPA certificate.

- (A) A candidate for the CPA certificate must fulfill the experience requirement by performing one or more types of services specified in paragraph (A) or paragraph (C) of rule 4701-7-04 of the Administrative Code.
- (B) The required experience may be earned in Ohio or in any other state. Experience earned outside the United States may be submitted to the board for evaluation.
- (C) A certified public accountant or a comparably qualified accountant from another country must verify the candidate's experience. The accountant from the other country must hold an independent auditor credential that has been determined by the board to be comparable to the certified public accountant certificate. The accountant may be a present employer, former employer, or a person who is familiar with the candidate's experience. In addition, the accountant must indicate the exact length of the qualifying experience on a record of experience form in a manner specified by the board. If the candidate's authorized supervisor is a certified public accountant or holds a comparable independent auditor credential from another country, then no additional verification of the candidate's experience is required.
- (D) If the candidate's authorized supervisor is not a certified public accountant and does not hold a comparable independent auditor credential from another country, then the authorized supervisor must verify the candidate's experience in addition to the accountant described in paragraph (C) of this rule. In addition, the authorized supervisor must indicate the exact length of the qualifying experience on a record of experience form in a manner specified by the board.
- (E) The record of experience form must contain original signatures from the candidate; the candidate's authorized supervisor, and the accountant verifying the candidate's experience, if applicable.
- (F) If a record of experience is submitted by a candidate who is attesting to self employment experience, the form must include notarized statements from three of the candidate's largest clients, in addition to the verification by a certified public accountant or the holder of a comparable independent auditor credential from another country as required by paragraph (C) of this rule. The notarized statements must contain the length of time the candidate performed services for the client, the inclusive dates of such services, the approximate time spent performing such services, and the nature of the services performed.

HISTORY: Effective Dates 6/1/77, 6/1/87, 9/22/93, 4/26/96, 3/19/98, 1/1/99, 8/5/99, 7/31/03, 7/16/09

Rule promulgated under: RC 119.03

Rule authorized by: RC 4701.06

Rule amplifies: RC 4701.06

119.032 review date: 7/16/2014

4701-7-06 Exemptions from the Ohio permit requirement.

- (A) Pursuant to division (A) of section 4701.14 of the Revised Code, a certified public accountant who meets any of the criteria described in paragraph (C), (D), (F), or (G) of this rule may use the term "certified public accountant" without holding an Ohio permit or an Ohio registration as required by section 4701.10 of the Revised Code.
- (B) Pursuant to division (A) of section 4701.14 of the Revised Code, a public accountant who meets any of the criteria described in paragraph (C), (D), (E), or (G) of this rule may use the term "public accountant" without holding an Ohio permit or an Ohio registration as required by section 4701.10 of the Revised Code.
- (C) A certified public accountant or public accountant who requests a waiver of the requirements due to retirement must submit to the board an affidavit that the certified public accountant or public accountant is retired from public accounting practice. A certified public accountant or public accountant who receives a waiver of the requirements due to retirement must use the term "retired" after the CPA or PA designation.
- (D) A certified public accountant or public accountant who requests a waiver of the requirements due to health reasons, military service, or foreign residence must submit appropriate documentation to the board supporting the request.
- (E) A public accountant who does not meet the residence requirement described in paragraph (A) of rule 4701-3-01 of the Administrative Code may request a waiver of the requirements if the public accountant is in good standing at the time of the request.

(F) A certified public accountant who holds a CPA certificate who resides in another state and is employed in the other state may request a waiver of the requirements if the certified public accountant is licensed to practice public accounting in the other state at the time of the request.

(G) A certified public accountant or public accountant may request a waiver of the requirements for a reason not specified in paragraph (C), (D), (E), or (F) of this rule by stating the reasons why fulfillment of the requirements would result in a hardship. If the board grants a waiver based upon the provisions in this paragraph, it may require that the certified public accountant or public accountant place the term "inactive" after the CPA or PA designation.

HISTORY: Effective Dates 8/5/99, 7/31/03, 9/14/07, 7/16/09

Rule promulgated under: RC 119.03

Rule authorized by: RC 4701.14

Rule amplifies: RC 4701.14

119.032 review date: 7/16/2014

4701-7-07 International reciprocity.

(A) The board may determine that the holder of an accounting credential issued outside the United States meets the CPA certification requirements if:

(1) A private or governmental body recognized by the board issued the accounting credential and the holder of the credential met the issuing body's education requirement and passed the issuing body's examination used to qualify its own domestic candidates.

(2) The accounting credential holder's education and the issuing body's examination are comparable to the Ohio education and examination requirements for the CPA certificate.

(3) The accounting credential is valid and in good standing at the time the holder applies for the CPA certificate.

(B) An applicant for renewal of a CPA certificate originally issued in reliance on an accounting credential issued outside the United States shall present appropriate documentation from the credential issuing body that the applicant's credential has not been suspended or revoked as a result of disciplinary proceedings conducted by the issuing body.

HISTORY: Effective Dates 8/5/99, 7/31/03, 7/16/09

Rule promulgated under: RC 119.03

Rule authorized by: RC 4701.06

Rule amplifies: RC 4701.06

119.032 review date: 7/16/2014

4701-7-08 License qualification.

(A) A holder of a CPA certificate who holds an Ohio registration must use the qualification "inactive" after the designation "certified public accountant" or "CPA" each time the designation is used. The qualification must be displayed adjacent to the designation, in print at least as prominent as that used for the designation itself.

(B) A holder of a PA registration who holds an Ohio registration must use the qualification "inactive" after the designation "public accountant" or "PA" each time the designation is used. The qualification must be displayed adjacent to the designation, in print at least as prominent as that used for the designation itself.

(C) A certified public accountant or public accountant who holds an Ohio registration may not perform any public accounting services defined in paragraph (A) of rule 4701-7-04 of the Administrative Code or any regulated services defined in paragraph (C) of rule 4701-7-04 of the Administrative Code.

HISTORY: Effective Dates 9/20/96, 8/5/99, 7/31/03, 7/27/06

Rule promulgated under: RC 119.03

Rule authorized by: RC 4701.10

Rule amplifies: RC 4701.10

Rule replaces: 4701-15-12

119.032 review date: 7/27/2011

4701-7-09 Internet practice.

(A) A firm that provides public accounting services to Ohio clients electronically shall provide, on the home page of the firm's website, a means for regulators and the public to contact a responsible licensed CPA in that state regarding complaints, questions, or the firm's compliance with applicable statutes and administrative regulations.

(B) The board may either bring an action or file a complaint with the appropriate state accountancy board against any certified public accountant or public accounting firm located and licensed in another state who is not in compliance with the provisions of paragraph (A) of this rule in accordance with the provisions of division (A)(3) of section 4701.16 of the Revised Code.

HISTORY: Effective Date 7/31/03, 7/16/09

Rule promulgated under: RC 119.03

Rule authorized by: RC 4701.03

Rule amplifies: RC 4701.03

119.032 review date: 7/16/2014

4701-7-10 Surrender of a CPA certificate.

(A) Subject to board approval, an individual who holds a CPA certificate may surrender the certificate to the board at any time and for any reason. The individual must file an affidavit with the board indicating the desire to surrender the CPA certificate. The affidavit shall state that the holder is aware that surrender of the CPA certificate is a final act and that the board is under no obligation to reinstate a CPA certificate that has been surrendered.

(B) An individual who resigns and surrenders a CPA certificate may not apply for reinstatement of the certificate without board approval. At the board's discretion, the individual may be required to comply with specified requirements for issuance of an original CPA certificate described in section 4701.06 of the Revised Code prior to reinstatement.

HISTORY: Effective Dates 7/31/03, 7/16/09

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