



Rules of Department of Economic Development

Division 10—Missouri State Board of Accountancy Chapter 2—General Rules

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**Title 4—DEPARTMENT OF
ECONOMIC DEVELOPMENT
Division 10—Missouri State
Board of Accountancy
Chapter 2—General Rules**

4 CSR 10-2.005 Definitions

PURPOSE: This rule defines terms used in the rules of the Missouri State Board of Accountancy.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) Commission fee or referral fee shall include, but not be limited to:

(A) Any fee, profit or other thing of value required or received for the rendering or selling of goods or services; or

(B) Any fee, profit or other thing of value required or received for referring a client to the products or services of others; or

(C) Any fee, profit or other thing of value paid to obtain a client. This rule does not apply to payments made where the payments are part of the employees' compensation or for the purchase of all, or a material part, of an accounting practice, or to retirement payments to persons formerly engaged in the practice of public accounting.

(2) Contingent fee means compensation for the performance of professional services where the compensation or the amount is contingent upon the findings or result of those services.

(3) CPA means a certified public accountant.

(4) Enterprise means any person(s) or entity, whether organized for profit or not, for which a licensee provides services.

(5) Financial statement is a presentation of financial data, including accompanying notes, if any, intended to communicate an entity's economic resources and/or obliga-

tions at a point in time or the changes therein for a period of time, in accordance with generally accepted accounting principles or a comprehensive basis of accounting other than generally accepted accounting principles. Incidental financial data to support recommendations to a client or in documents for which the reporting is governed by Statements on Standards for Attestation Engagements, which is incorporated by reference in this rule, and tax returns and supporting schedules do not, for this purpose, constitute financial statements. The statement, affidavit, or signature of preparers required on tax returns neither constitutes an opinion on financial statements nor requires a disclaimer of such opinion. Statement on Standards of Attestation Engagement are documents included in the American Institute of Certified Public Accountants (AICPA) Code of Professional Conduct, which is incorporated by reference in this rule. A printed copy or copy on CD-Rom or other electronic copies of the Rules of Professional Conduct may also be obtained from the American Institute of Certified Public Accountants, PO Box 2209, Jersey City, New Jersey 07303-2209 or <http://www.aicpa.org>.

(6) Practice of public accounting means:

(A) Performing or offering to perform for an enterprise, client or potential client one (1) or more services involving the use of accounting or auditing skills or one (1) or more management advisory or consulting services or the preparation of tax returns or the furnishing of advice on tax matters by a person or firm using the title "CPA" in signs, advertising, directory listings, business cards, letterheads, or other public representations, except that this shall not contradict section 326.292, RSMo;

(B) Signing or affixing one's own name, any trade or assumed name used by him or her, or a professional firm in his or her or its professional firm name, with any wording indicating he or she or the professional firm has expert knowledge in accounting or auditing, to any opinion or certificate attesting in any way to the reliability of any representation or estimate in regard to any person or organization embracing financial information or facts respecting compliance with conditions established by law or contract including, but not limited to, statutes, ordinances, rules, grants, loans and appropriations, except that this shall not contradict section 326.292, RSMo;

(C) Offering to the public or to prospective clients to perform or actually performing on behalf of clients any professional services that involve or require an audit or examina-

tion of financial records leading to the expression of a written attestation or opinion concerning these records, except that this shall not contradict section 326.292, RSMo; or

(D) Maintaining an office for the transaction of business as a CPA firm.

(7) Professional services means any services including all services performed by a member while holding himself or herself out as a CPA.

(8) Resident of this state is an individual considered to be for the purposes of Chapter 326, RSMo, a resident of this state, provided:

(A) The individual maintains a permanent place of residence in Missouri and actually resides in Missouri;

(B) The individual is a full-time student at an accredited college or university in this state;

(C) The individual who is a graduate from a Missouri college or university, and at the time of graduation had a Missouri address, shall be considered a resident of this state for six (6) months from the date of graduation;

(D) The individual is regularly employed full-time in this state; or

(E) The individual is a permanent resident of Missouri and is serving on active duty in the armed services, or the individual is a permanent resident of Missouri and is the spouse of an individual serving on active duty in the armed services. To satisfy the requirements of this rule, employment in Missouri need not be in public accounting.

(9) A resident manager of an office is a CPA holding an active license to practice, issued under section 326.280, RSMo and currently practicing public accounting, who has direct supervision of the office and who, in addition, oversees the planning, administration, direction and review of the services being performed by that office.

(10) Accounting firm is a certified public accountant firm, a CPA firm, or firm, sole proprietorship, a corporation, a partnership or any other form of organization issued a permit pursuant to section 326.289, RSMo.

(11) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.256 and 326.262, RSMo Supp. 2003. Original rule filed July*



3, 1975, effective Aug. 25, 1975. Amended: Filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Nov. 10, 1981, effective April 11, 1982. Amended: Filed Sept. 3, 1986, effective Jan. 30, 1987. Amended: Filed Feb. 5, 1990, effective June 28, 1990. Amended: Filed June 4, 1990, effective Nov. 30, 1990. Amended: Filed Sept. 25, 1991, effective March 9, 1992. Amended: Filed Oct. 13, 1993, effective May 9, 1994. Amended: Filed Aug. 25, 1995, effective March 30, 1996. Rescinded and readopted: Filed April 5, 2004, effective July 30, 2004.

*Original authority: 326.256, RSMo 2001, amended 2002 and 326.262, RSMo 2001.

Op. Atty. Gen. No. 30, Butler (9-24-79). Government employees doing internal "accounting work" do not engage in the "practice of public accounting," since this work does not rise to the level of activity governed by Chapter 326, RSMo.

4 CSR 10-2.010 Eligibility Requirements for a Certificate as a Certified Public Accountant
(Rescinded July 30, 2004)

AUTHORITY: section 326.110, RSMo Supp. 1997. This version of rule filed Sept. 11, 1974, effective Sept. 21, 1974. Amended: Filed Jan. 13, 1975, effective Jan. 23, 1975. Rescinded and readopted: Filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Aug. 6, 1981, effective Dec. 11, 1981. Amended: Filed Dec. 15, 1983, effective April 12, 1984. Amended: Filed April 9, 1993, effective Oct. 10, 1993. Amended: Filed March 17, 1994, effective Sept. 30, 1994. Amended: Filed June 10, 1998, effective Dec. 30, 1998. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.020 Experience and Residency Requirements
(Rescinded January 13, 1979)

AUTHORITY: section 326.170, RSMo Supp. 1977. This version filed Sept. 11, 1974, effective Sept. 21, 1974. Amended: Filed Feb. 6, 1975, effective Feb. 16, 1975. Rescinded: Filed Sept. 13, 1978, effective Jan. 13, 1979.

4 CSR 10-2.021 Temporary Certificates and Temporary Permits
(Rescinded July 30, 2004)

AUTHORITY: sections 326.110 and 326.170, RSMo 1994. Original rule filed Sept. 10, 1978, effective Jan. 13, 1979. Amended: Filed Jan. 23, 1986, effective June 28, 1986. Amended: Filed Sept. 20, 1994, effective April 30, 1995. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.022 Provisional License to Practice

PURPOSE: This rule sets forth requirements for substantial equivalency and provisional licensure for certified public accountants from other states who want to practice public accounting in Missouri but are not relocating to this state as established by HB 567 of the 91st General Assembly.

(1) The board shall issue a provisional license to an applicant:

(A) Whose principal place of business is not in this state, and:

1. Who has a valid and unrestricted license to practice public accounting from any state whose licensing requirements are determined by the board to be substantially equivalent to the Missouri Accountancy Act; or

2. Who has a valid and unrestricted license to practice public accounting from any state and whose individual qualifications are substantially equivalent to the licensure requirements of sections 326.250 to 326.331, RSMo.

(B) Who notifies the board in writing of his/her intent to practice in Missouri.

(2) For any applicant who meets the requirements in section (1), the board shall charge a fee for each provisional license obtained; however, the board may waive this fee for all applicants from a state that does not require a similar fee for Missouri licensees practicing therein through substantial equivalency.

(3) The provisional license shall be effective for twelve (12) months from the date of issuance.

(4) To provide compilations, reviews and attest services, the holder of a provisional license must do so through a firm registered in this state.

(5) The holder of a provisional license shall be subject to the provisions of section 326.310, RSMo.

AUTHORITY: sections 326.256.1(9) and 326.283.1(1), RSMo Supp. 2002. Emergency rule filed Nov. 15, 2001, effective Nov.*

25, 2001, expired May 23, 2002. Original rule filed Nov. 15, 2001, effective June 30, 2002. Amended: Filed Nov. 13, 2002, effective June 30, 2003.

**Original authority: 326.256, RSMo 2001, amended 2002; and 326.283, RSMo 2001, amended 2002.*

4 CSR 10-2.030 Reciprocity
(Rescinded July 30, 2004)

AUTHORITY: section 326.110, RSMo 1994. Original rule filed Sept. 11, 1974, effective Sept. 21, 1974. Rescinded and readopted: Filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Aug. 6, 1981, effective Dec. 11, 1981. Amended: Filed Oct. 13, 1993, effective May 9, 1994. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.040 Taking the Examination
(Rescinded January 13, 1979)

AUTHORITY: section 326.170, RSMo Supp. 1977. This version of rule filed Sept. 11, 1974, effective Sept. 21, 1974. Rescinded: Filed Sept. 13, 1978, effective Jan. 13, 1979.

4 CSR 10-2.041 Eligibility Requirements for the CPA Examination

PURPOSE: This rule determines the eligibility requirements an applicant shall meet in order to qualify to sit for the certified public accountant examination as a Missouri candidate.

(1) The applicant must comply with section 326.280.1(1), (2) and (3), RSMo and either—

(A) If he or she applied for the initial examination prior to June 30, 1999, hold a baccalaureate or higher degree conferred by an accredited college or university recognized by the board with a concentration or major in accounting or substantially the equivalent of a concentration in accounting as described in subsection (2)(A) or (B) of this rule; or

(B) If he or she applied for the initial examination on or after June 30, 1999, have at least one hundred fifty (150) semester hours of college education including a baccalaureate or higher degree conferred by an accredited college or university recognized by the board with a concentration or major in accounting or substantially the equivalent of a concentration in accounting as described in subsection (2)(C) of this rule.



(2) The equivalent of a concentration in accounting shall be determined in the following manner:

(A) For candidates who sat for the examination for the first time prior to May 1996, thirty-six (36) semester hours or fifty-four (54) quarter hours of accounting and other related courses are required. At least eighteen (18) semester hours or twenty-seven (27) quarter hours shall be accounting courses with at least one (1) course in auditing. The remaining eighteen (18) semester hours or twenty-seven (27) quarter hours shall be in accounting or other areas of business administration such as business law, tax, statistics, economics, finance, marketing, management, data processing and business communications. These courses shall be taken at an accredited college or university recognized by the board.

(B) For candidates who sat for the examination for the first time during or after May 1996, and whose initial applications for the examination were postmarked prior to June 30, 1999, the requirements in subsection (2)(A) shall continue in effect except that principles of accounting (or introductory accounting) courses will not be credited toward the required number of hours of accounting courses, but may be credited toward the other related courses.

(C) For candidates whose applications for the initial examination were postmarked on or after June 30, 1999, the concentration or major in accounting, or the equivalent of a concentration in accounting shall be sixty (60) semester hours or ninety (90) quarter hours of accounting and other related courses. At least twenty-seven (27) semester hours or forty (40) quarter hours shall be accounting courses with at least one (1) course in auditing and at least eighteen (18) semester hours or twenty-seven (27) quarter hours of accounting courses taken at the upper division level. Introductory accounting courses will not be credited toward the required number of hours of accounting courses, but may be credited toward the other related courses. For the purposes of this rule “upper division level” courses shall mean courses taken beyond the elementary level. The remaining thirty-three (33) semester hours or fifty (50) quarter hours shall be in accounting or other areas of business administration such as business law, statistics, economics, finance, marketing, management, data processing and business communications. These courses shall be taken at an accredited college or university recognized by the board.

(3) An applicant for the examination whose initial application to Missouri is postmarked

on or after June 30, 1999, who meets the qualifications in section 326.280.1(1), (2) and (3), RSMo—

(A) Who sat for the examination in another jurisdiction prior to June 30, 1999, or whose original application for the examination was postmarked to the other jurisdiction prior to June 30, 1999, if he or she meets the standard in subsections (1)(A) and (2)(A) or (B) of this rule, then examination credit will be granted in accordance with the provisions of section 326.280, RSMo and rule 4 CSR 10-2.140 just as though the candidate had been approved and had sat in Missouri and he or she will be approved to sit as a Missouri candidate; or

(B) Whose original application for the examination was postmarked to another jurisdiction on or after June 30, 1999 or, if the postmark date is not available, who first sat for the examination in the other jurisdiction after June 30, 1999, if he or she meets the standard in subsections (1)(B) and (2)(C) of this rule, then examination credit will be granted in accordance with the provisions of section 326.280, RSMo and rule 4 CSR 10-2.140 just as though the candidate had been approved and had sat in Missouri and he or she will be approved to sit as a Missouri candidate.

(4) Once an applicant has qualified under sections (1) and (2) of this rule and been approved by the board as a Missouri candidate for the examination, and as long as he or she continues to meet the requirement of subsection 326.280.1(3), RSMo and has not committed an act or acts which would be cause to deny an application under section 326.310, RSMo, he or she will be considered qualified for subsequent examinations.

(5) An applicant who satisfies the requirements of section 326.280.1(1), (2) and (3), RSMo shall be eligible to take the examination if the applicant reasonably expects to satisfy the educational requirements of section 326.280.1(4), RSMo within sixty (60) days after the examination. No license shall be issued or credit for the examination issued unless the educational requirements are, in fact, met within the sixty (60)-day period.

(6) Any university or college accredited by the Middle States Association of Colleges and Schools, New England Association of Schools and Colleges, North Central Association of Colleges and Schools, Northwest Association of Schools and Colleges, Southern Association of Colleges and Schools or Western Association of Schools and Colleges is recognized by the board and will satisfy the

requirements of section 326.280.1, RSMo and this rule. The board may recognize as accredited, any university or college accepted by two (2) or more states for the purpose of allowing a candidate to sit for the certified public accountant examination.

(7) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262 and 326.280.1, RSMo Supp. 2003. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Aug. 6, 1981, effective Dec. 11, 1981. Amended: Filed Sept. 6, 1983, effective Jan. 13, 1984. Amended: Filed Dec. 15, 1983, effective April 12, 1984. Amended: Filed April 9, 1993, effective Oct. 10, 1993. Amended: Filed Oct. 13, 1993, effective May 9, 1994. Amended: Filed March 17, 1994, effective Sept. 30, 1994. Amended: Filed June 10, 1998, effective Dec. 30, 1998. Emergency amendment filed Nov. 15, 2001, effective Nov. 25, 2001, expired May 23, 2002. Amended: Filed Nov. 15, 2001, effective June 30, 2002. Amended: Filed April 5, 2004, effective July 30, 2004.*

**Original authority: 326.262, RSMo 2001 and 326.280, RSMo 2001, amended 2002.*

4 CSR 10-2.042 Definition of a Resident of This State (Rescinded July 30, 2004)

AUTHORITY: section 326.110, RSMo 1994. Original rule filed Sept. 12, 1984, effective Jan. 12, 1985. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.050 Internal Revenue Agents (Rescinded January 13, 1979)

AUTHORITY: section 326.170, RSMo Supp. 1977. This version of rule filed Sept. 11, 1974, effective Sept. 21, 1974. Rescinded: Filed Sept. 13, 1978, effective Jan. 13, 1979.

4 CSR 10-2.051 Registration of Certified Public Accounting Firms

PURPOSE: This rule clarifies the requirements of section 326.289, RSMo for registration of certified public accounting firms.



(1) Each certified public accounting firm shall provide the board with a completed initial firm permit application form provided by the board and pay all applicable fees as determined by the board.

(2) Applications for approval of the permit of a certified public accounting firm shall be filed with the board prior to the date the firm begins the practice of public accounting in this state.

(3) If a partner, member or shareholder is admitted or a partner, member or shareholder withdraws and there is a resulting change in the name of the certified public accounting firm, it shall be considered by the board as a new firm, which must file an application for a permit to practice.

(4) All out-of-state certified public accounting firms that practice public accounting in this state must obtain a permit to practice. All partners, members, shareholders and employees of these firms, who practice in this state, must obtain a license or a provisional license to practice issued under Chapter 326, RSMo. There must be at least one (1) active individual Missouri certified public accountant (CPA) licensee or Missouri CPA provisional licensee in the firm for the firm's permit to be considered active.

(5) Each office established, registered or maintained for the practice of public accounting by a CPA or certified public accountant firm, out of which a CPA practices or offers to practice public accounting shall be registered with the board annually. Application shall be on a form provided by the board and shall include the name and license number of the resident manager of each office.

(6) Notice shall be given to the board within thirty (30) days of any change of an office address, change of resident manager for an existing office, the address of any additional office opened for the practice of public accounting or of the closing of any office. No form is provided by the board for this notice, but the notice must be in writing and must be clearly headed with "Notice of New Office," "Change of Address of Office," "Change of Resident Manager" or "Closing of Office" and in the case of a new office must contain the name and license number of the resident manager.

(7) Before a current permit to practice will be issued an applicant must pay all required fees and penalties that were not paid previously for all years the applicant was engaged in the

practice of public accounting in Missouri. No permit shall be issued or reinstated until all required fees and penalties are paid by the applicant.

(8) Each certified public accounting firm shall attest that all employees, representatives and agents practicing public accounting in Missouri and all Missouri resident partners, members, managers and shareholders of certified public accounting firms who hold Missouri certificates issued under prior law or any individual who received an initial license after August 28, 2001 hold an active Missouri license to practice in a certified public accounting firm.

(9) The change of majority ownership, form of organization (i.e., professional corporation (P.C.), limited liability company (L.L.C.), etc.), or name or title of the firm, shall require the issuance of a new permit to practice public accounting with the completion of an initial firm permit application form provided by the board and payment of all applicable fees as determined by the board.

(10) In the event a firm through which the practicing CPAs are provisionally licensed, and there is no physical location for the firm within the state of Missouri, the firm shall complete the form for such practice as provided by the board and payment of all applicable fees as determined by the board. The firm permit shall only be valid for such time that the firm has an active provisional licensee in the state of Missouri. If the firm opens or operates a firm location within the state of Missouri, the firm is required to complete an initial firm permit application and pay all applicable fees as determined by the board.

(11) The name of the firm shall not be misleading nor shall it include words or phrases that are quantitative or qualitative such as: "biggest," "best," "finest," "cheapest," etc.

(12) The name of sole proprietorships or sole practitioners shall not include the words "and Associates," "Company," "and Company," or any designation that implies there is multiple or corporate ownership. Sole proprietorships and sole practitioners shall only use a business name that is in the singular form or represents itself in a neutral manner.

(13) Names of one (1) or more past partners, members or shareholders may be included in the firm name of a partnership, limited liability company, or professional corporation or its successor. A partner surviving the death

or withdrawal of all other partners may continue to practice under a partnership name for up to two (2) years after becoming a sole proprietorship or a sole practitioner.

(14) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262 and 326.289, RSMo Supp. 2003. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed March 14, 1984, effective July 12, 1984. Amended: Filed Oct. 13, 1993, effective May 9, 1994. Amended: Filed April 5, 2004, effective July 30, 2004.

**Original authority: 326.262, RSMo 2001 and 326.289, RSMo 2001, amended 2002.*

4 CSR 10-2.060 Acceptable Firm Names (Rescinded January 13, 1979)

AUTHORITY: section 326.170, RSMo Supp. 1977. This version of rule filed Sept. 11, 1974, effective Sept. 21, 1974. Rescinded: Filed Sept. 13, 1978, effective Jan. 13, 1979.

4 CSR 10-2.061 Requirements for an Initial License to Practice

PURPOSE: This rule sets forth the type of work experience that is required for a certified public accountant to obtain or receive an initial license to practice in Missouri.

(1) Applicants for initial licensure shall meet the education requirements outlined in 4 CSR 10-2.041 and successfully complete the examination requirements as outlined in 4 CSR 10-2.150.

(2) The board shall require as a condition for licensure, the verification of experience as provided for by section 326.280.1(6), RSMo. A licensee from this or another state shall verify on a form provided by the board:

(A) The applicant has one (1) year of accounting experience consisting of full-time employment that is no less than one (1) year and no fewer than two thousand (2,000) hours or in the case of part-time employment, experience that extends over a period of no less than one (1) year and no more than three (3) years and includes no fewer than two thousand (2,000) hours of performance of



services as described in 326.280.1(6), RSMo; and

(B) The applicant has acceptable experience, which may include employment in industry, government, academia or public practice. The board may look at such factors as the complexity and diversity of the work as set forth in the experience verification section of the initial application form.

(3) In accordance with 326.289.4(3), RSMo any individual licensee who was initially licensed on or after August 28, 2001, and who is responsible for supervising attest services or signs or authorizes someone to sign attestation reports on behalf of a firm, shall have an additional year of experience, which includes attest services, consisting of full-time employment that is no less than one (1) year and no fewer than two thousand (2,000) hours or in the case of part-time employment, experience that extends over a period of no less than one (1) year and no more than three (3) years and includes no fewer than two thousand (2,000) hours of performance of services. The experience shall be under the supervision of a licensee from this or another state. The experience shall consist of either:

(A) Practicing public accounting in a certified public accounting firm; or

(B) Practicing as an auditor, employed by a local, state, or federal government entity, devoted principally to the comprehensive application of generally accepted accounting principles or generally accepted government auditing standards to diversified field examinations.

(4) In accordance with 326.289.4(4), RSMo any licensee who was initially licensed on or after August 28, 2001, and who is responsible for supervising, or signs or authorizes someone to sign review reports shall have a year of experience consisting of full-time employment that is no less than one (1) year and no fewer than two thousand (2,000) hours or in the case of part-time employment, experience that extends over a period of no less than one (1) year and no more than three (3) years and includes no fewer than two thousand (2,000) hours of performance of services as described in section 326.280.1(6), RSMo. Acceptable experience shall include employment in industry, government, academia or public practice.

(5) Any licensee who has direct access and knowledge of an applicant's experience and who has been requested by an applicant to submit to the board evidence of the applicant's experience and has refused to do so

shall, upon request by the board, explain the basis for such refusal in a written submission. The board may require any licensee who has verified the applicant's experience to substantiate the information in a written submission. Any applicant may be required to appear before the board to supplement or verify evidence of experience. The board may inspect applicant-provided documentation relating to the applicant's claimed experience.

(6) Satisfactory completion of a written examination in professional ethics acceptable to the board shall be required for issuance of a Missouri license as a certified public accountant (CPA).

(A) Verification that the applicant has received a score of ninety percent (90%) on the examination of the correspondence course on professional ethics for CPAs of the American Institute of Certified Public Accountants shall satisfy this requirement.

(B) Applicants applying for a license as a CPA under section 326.280, RSMo can satisfy this requirement by submitting verification that they have passed a written examination on professional ethics approved by the Missouri State Board of Accountancy where they hold a valid license.

(7) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262 and 326.280, RSMo Supp. 2003. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Aug. 6, 1981, effective Dec. 11, 1981. Amended: Filed Sept. 6, 1983, effective Jan. 13, 1984. Amended: Filed Sept. 3, 1986, effective Feb. 28, 1987. Amended: Filed July 19, 1993, effective Jan. 31, 1994. Amended: Filed Nov. 13, 1996, effective June 30, 1997. Emergency amendment filed Nov. 15, 2001, effective Nov. 25, 2001, expired May 23, 2002. Amended: Filed Nov. 15, 2001, effective June 30, 2002. Amended: Filed April 5, 2004, effective July 30, 2004.*

**Original authority: 326.262, RSMo 2001 and 326.280, RSMo 2001, amended 2002.*

4 CSR 10-2.062 Evidence of Work Experience Required for an Initial Permit to Practice

(Rescinded July 30, 2004)

AUTHORITY: sections 326.110, RSMo Supp. 1996 and 326.170, RSMo 1994. Original rule filed Sept. 3, 1986, effective Feb. 28, 1987. Amended: Filed July 19, 1993, effective Jan. 31, 1994. Amended: Filed Dec. 16, 1996, effective June 30, 1997. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.070 Renewal of Licenses

PURPOSE: This rule clarifies requirements of the statutes pertaining to the renewal of the license to practice public accounting by certified public accountants and public accountants in this state.

(1) Licenses shall be issued for a licensing period of two (2) years beginning on October 1 and expiring on September 30 and shall be renewed biennially.

(2) Each certified public accountant (CPA) shall provide the board with the following information at the time of application for renewal of his or her individual license to practice:

- (A) Residence address;
- (B) Business connection or employer;
- (C) Business address;

(D) Verification that the individual has met the Continuing Professional Education (CPE) requirements as described in Chapter 4;

(E) Details regarding any conviction of any criminal offense other than a traffic violation;

(F) Details regarding any suspension, revocation or cancellation of the certificate or permit to practice by any jurisdiction; details regarding any suspension, revocation or restriction of his or her right to practice by the Internal Revenue Service, Securities Exchange Commission or any other federal or state agency;

(G) Details regarding any judgments rendered against the licensee for professional malpractice;

(H) Details regarding any willful violation of the rules and standards of professional conduct governing the practice of public accounting; and

(I) Each licensee shall notify the board in writing within thirty (30) days of any change occurring during the renewal period.

(3) All employees, representatives and agents practicing public accounting in Missouri and all Missouri resident partners, members, managers and shareholders of certified public accounting firms who hold Missouri certificates issued under prior law or any individual who received an initial license after August 28, 2001 is required to have an active Mis-



souri license to practice in a certified public accounting firm.

(4) License renewal applications will be mailed to each licensee at the last known address at least thirty (30) days before the license expiration date. Failure to receive this notice does not relieve the licensee of the obligation biennially to renew the license to practice.

(5) An applicant who has allowed his or her license to expire because he or she was not employed in public accounting in Missouri and who is reentering the practice of public accounting in Missouri shall apply for a license to practice within sixty (60) days of the date he or she reenters public accounting. If an application for a license to practice is not received by the board within sixty (60) days after the date the applicant reenters the practice of public accounting in Missouri, the applicant is required to pay the license fee plus a delinquent fee.

(6) Before a current license to practice will be issued, an applicant must pay all required fees and penalties, which he or she has not paid previously, for all years the applicant was engaged in the practice of public accounting in Missouri. No license shall be issued or reinstated until all required fees and penalties are paid by the applicant.

(7) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.286 and 620.010.15(2), RSMo Supp. 2003. Original rule filed Sept. 11, 1974, effective Sept. 21, 1974. Rescinded and readopted: Filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Aug. 6, 1981, effective Dec. 11, 1981. Amended: Filed Feb. 9, 1982, effective May 13, 1982. Amended: Filed March 14, 1984, effective July 12, 1984. Amended: Filed April 18, 1989, effective July 27, 1989. Amended: Filed Oct. 13, 1993, effective May 9, 1994. Amended: Filed April 5, 2004, effective July 30, 2004.*

**Original authority: 326.262, RSMo 2001; 326.286, RSMo 2001, amended 2002; and 620.010.15(2), RSMo 1973, amended 1981, 1983, 1986, 1989, 1990, 1993, 1994, 1995, 1999, 2001.*

4 CSR 10-2.072 Renewal of a Certified Public Accounting Firm Permit

PURPOSE: This rule establishes requirements pertaining to the issuance and renewal of the permit to practice public accounting by certified public accounting firms.

(1) Each office established, registered or maintained for the practice of public accounting by a certified public accountant (CPA) or certified public accounting firm, out of which a CPA practices or offers to practice public accounting shall obtain a permit with the board annually. Renewal shall be on a form provided by the board and shall include the name and license number of the resident manager of each office.

(2) Firm permits shall be issued for a period of one (1) year beginning on November 1 and expiring on October 31 and shall be renewed annually.

(3) Permit renewal applications will be mailed to each applicant at the last known address, provided to the board, at least thirty (30) days before the permit expiration date. Failure to receive this notice does not relieve the firm of the annual obligation to renew the permit to practice. Failure to renew timely may cause the board to assess additional penalties as provided in 4 CSR 10-2.160.

(4) Each certified public accounting firm shall provide the board annually with a completed renewal application form provided by the board and pay all applicable fees as determined by the board.

(5) As a part of the annual renewal of each office established and maintained for the practice of public accounting or out of which a CPA practices or offers to practice public accounting, the sole practitioner or partner, president or managing officer of a certified public accounting firm, shall affirm that:

(A) All of his or her employees, its resident partners or its members and managers, shareholders in Missouri, or any combination of these, who are Missouri CPAs have applied for a current license to practice public accounting; and

(B) All of his or her employees, its resident partners, its members and managers or shareholders in Missouri, or any combination of these, who hold a CPA license issued by another state have applied for a Missouri CPA license by reciprocity or by provisional licensure through substantial equivalency.

(6) The provisions of this rule are declared severable. If any provision of this rule is held

invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262 and 326.289, RSMo Supp. 2003. Original rule filed April 5, 2004, effective July 30, 2004.*

**Original authority: 326.262, RSMo 2001 and 326.289, RSMo 2001, amended 2002.*

4 CSR 10-2.075 Reinstatement of License to Practice

PURPOSE: This rule establishes requirements for reinstatement of a license to practice.

(1) The board shall not reinstate the license of any licensee unless—

(A) That person submits evidence to the board that he or she has completed one hundred twenty (120) hours of continuing professional education during the three (3) years previous to making application for reinstatement of the license with not less than twenty (20) hours in the year immediately preceding the date of application for reinstatement; or

(B) That person agrees to a regular program to obtain the required one hundred twenty (120) hours of continuing professional education within one (1) year of applying for reinstatement.

(2) In the event of application for reinstatement of a license to practice, wherein the license had been previously suspended or revoked by the board, the board may modify the earlier discipline by placing requirements or restrictions upon the reinstated license. Such modifications may include probation, preissuance reviews, and other such requirements as permitted by law and determined by the board.

(3) Continuing education courses required under section (2) of this rule shall comply with the provisions of the current continuing education requirements as set forth in 4 CSR 10-4.011.

(4) No license shall be reinstated until the applicant pays all required fees and penalties, which he or she has not paid previously, for any periods during which he or she was practicing public accounting in Missouri.

(5) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction,



the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.286, 326.310 and 326.316, *RSMo Supp.* 2003 and 620.149, *RSMo* 2000. * *Original rule filed June 13, 1984, effective Oct. 11, 1984. Amended: Filed July 15, 1985, effective Dec. 12, 1985. Amended: Filed Jan. 26, 1995, effective July 30, 1995. Amended: Filed Sept. 4, 1996, effective March 30, 1997. Amended: Filed April 5, 2004, effective July 30, 2004.*

**Original authority:* 326.262, *RSMo* 2001; 326.286, *RSMo* 2001, amended 2002; 326.310, *RSMo* 2001; 326.316, *RSMo* 2001; and 620.149, *RSMo* 1998.

4 CSR 10-2.080 Partial Examination

(Rescinded February 11, 1980)

AUTHORITY: section 326.170, *RSMo* 1978. *This version of rule filed Sept. 11, 1974, effective Sept. 21, 1974. Rescinded: Filed Oct. 16, 1979, effective Feb. 11, 1980.*

4 CSR 10-2.085 Limited Liability Companies

(Rescinded February 28, 2001)

AUTHORITY: section 326.110, *RSMo Supp.* 1995. *Original rule filed Oct. 13, 1993, effective May 9, 1994. Amended: Filed Sept. 4, 1996, effective March 30, 1997. Rescinded: Filed Aug. 31, 2000, effective Feb. 28, 2001.*

4 CSR 10-2.090 Professional Corporations

(Rescinded February 28, 2001)

AUTHORITY: section 326.110, *RSMo Supp.* 1995. *Original rule filed Sept. 11, 1974, effective Sept. 21, 1974. Amended: Filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Nov. 10, 1981, effective April 11, 1982. Amended: Filed March 2, 1988, effective July 28, 1988. Amended: Filed March 2, 1988, effective July 28, 1988. Amended: Filed Sept. 30, 1988, effective Feb. 11, 1989. Amended: Filed Sept. 4, 1996, effective March 30, 1997. Rescinded: Filed Aug. 31, 2000, effective Feb. 28, 2001.*

4 CSR 10-2.095 Ownership of CPA Firms

PURPOSE: *This rule clarifies the statutes pertaining to ownership of certified public accounting firms.*

(1) Limited Liability Companies (L.L.C.).

(A) Ownership. Only the following may have a member's interest in a L.L.C.:

1. A majority ownership shall consist of natural persons who hold a license as a certified public account (CPA) to practice public accounting issued by this state, another state or territory of the United States or the District of Columbia, or any state, country or province of another country, or holds a foreign designation recognized by the board to be substantially equivalent if the other state or country or province of another country grants reciprocity licensure to holders of CPA licenses issued by this state. A minority ownership shall consist of natural persons who are active individual participants in the firm or affiliated entities;

2. Domestic or foreign general partnerships, including limited liability partnerships, in which all of the partners who have a majority of ownership hold an active license as a CPA to practice public accounting issued by this state, another state or territory of the United States, the District of Columbia or any other country or state or province of another country, or holds a foreign designation recognized by the board to be substantially equivalent, if the other country or state or province of another country grants reciprocity licensure to holders of CPA licenses issued by this state. A minority ownership shall consist of natural persons who are active individual participants in the firm or affiliated entities;

3. Professional corporations holding a permit to practice public accounting issued by this state or foreign professional corporations authorized by law in this state to practice public accounting. All shareholders of either a domestic or foreign professional corporation shall own their shares in their own right and shall be the beneficial owners of the equity capital ascribed to them;

4. Limited liability companies (L.L.C.) holding a permit to practice public accounting issued by this state or foreign L.L.C. authorized by law in this state to practice public accounting, provided that all non-CPA members are active individual participants in the firm or affiliated entities. All members of either a domestic or foreign L.L.C. shall own their member's interest in their own right; and

5. Trusts, created pursuant to revocable trust agreements, of which the trustee is a natural person who holds a license as a CPA to practice public accounting issued by this state, another state or territory of the United States or District of Columbia, provided that the trustee is also the settler and beneficiary of the trust during his or her lifetime. If there

are multiple trustees, a majority shall hold a license as a CPA to practice public accounting issued by this state, another state or territory of the United States or the District of Columbia. Any trustees who are not licensed CPAs shall be active individual participants in the firm.

(B) Transfer of Member's Interest. Provisions shall be made in the Articles of Organization or in Restated Articles of Organization and in any merger or consolidation document, which shall require that a member who, for whatever reasons, ceases to be eligible to be a member to dispose of all of his or her membership interest within a reasonable period of time to a person qualified to be a member or to the L.L.C.

(2) Professional Corporations.

(A) Ownership. A professional corporation may issue shares only to the following:

1. Natural persons who hold a current license as a CPA to practice public accounting issued by this state, another state or territory of the United States or the District of Columbia, or any other country or state or province of another country, or holds a foreign designation recognized by the board to be substantially equivalent, if the other country or state or province of another country grants reciprocity licensure to holders of a CPA license issued by this state;

2. Domestic or foreign general partnerships, including limited liability partnerships, in which all of the partners hold a current license as a CPA to practice public accounting issued by this state, another state or territory of the United States, the District of Columbia or any other country or state or province of another country, or holds a foreign designation recognized by the board to be substantially equivalent, if the other country or state or province of another country grants reciprocity licensure to holders of CPA Licenses issued by this state;

3. Professional corporations holding a permit to practice issued by this state or foreign professional corporations authorized by law in this state to practice public accounting. Shareholders at all times shall own their own shares in their own right and shall be the beneficial owners of the equity capital ascribed to them;

4. Limited liability companies (L.L.C.) holding a permit to practice public accounting issued by this state or foreign L.L.C. authorized by law in this state to practice public accounting. All members of either a domestic or foreign L.L.C. shall own their member's interest in their own right; and

5. Trusts, created pursuant to revocable trust agreements, of which the trustee is a



natural person who holds a current license as a CPA to practice public accounting issued by this state, another state or territory of the United States or District of Columbia, provided that the trustee is also the settler and beneficiary of the trust during his or her lifetime. If there are multiple trustees, each shall hold a license to practice public accounting issued by this state, another state or territory of the United States or the District of Columbia.

(B) Transfer of Shares. Provisions shall be made requiring any shareholder who ceases to be eligible to be a shareholder to dispose of all of his or her shares within a reasonable period to a person qualified to be a shareholder or to the corporation or association.

(3) Partnerships and Limited Liability Partnerships (L.L.P.).

(A) Ownership. A partnership or L.L.P. may issue ownership interest only to the following:

1. A majority ownership shall consist of natural persons who hold a license as a CPA to practice public accounting issued by this state, another state or territory of the United States or the District of Columbia, or any state, country or province of another country, or holds a foreign designation recognized by the board to be substantially equivalent, if the other country or state or province of another country grants reciprocity licensure to holders of CPA licenses by this state. A minority ownership shall consist of natural persons who are active individual participants in the firm or affiliated entities;

2. Domestic or foreign general partnerships, including limited liability partnerships, in which all the partners who have a majority ownership hold an active license as a CPA to practice public accounting issued by this state, another state or territory of the United States, the District of Columbia or any other country or state or province of another country, or holds a foreign designation recognized by the board to be substantially equivalent, if the other country or state or province of another country grants reciprocity licensure to holders of CPA licenses issued by this state. A minority ownership shall consist of natural persons who are active individual participants in the firm or affiliated entities;

3. Professional corporations holding a permit to practice issued by this state or foreign professional corporations authorized by law in this state to practice public accounting. Shareholders of either a domestic or foreign professional corporation shall own their own shares in their own right and shall be the beneficial owners of the equity capital ascribed to them;

4. Limited liability companies (L.L.C.) holding a permit to practice public accounting issued by this state or foreign L.L.C. authorized by law in this state to practice public accounting, provided that all non-CPA members are active individual participants in the firm or affiliated entities. All members of either a domestic or foreign L.L.C. shall own their member's interest in their own right; and

5. Trusts, created pursuant to revocable trust agreements, of which the trustee is a natural person who holds a license as a CPA to practice public accounting issued by this state, another state or territory of the United States or District of Columbia, provided that the trustee is also the settler and beneficiary of the trust during his or her lifetime. If there are multiple trustees, a majority shall hold a license as a CPA to practice accounting issued by this state, another state or territory of the United States or the District of Columbia. Any trustees who are not licensed CPAs shall be active individual participants in the firm.

(B) Transfer of Interest. Provisions shall be made in the Articles of Organization or in Restated Articles of Organization and in any merger or consolidated document, which shall require that a member who, for whatever reasons, ceases to be eligible to be a member to dispose of all of his or her membership within a reasonable period to a person qualified to be a member or to the L.L.C.

(4) Sole Proprietorships.

(A) The ownership of a sole proprietorship shall consist of a natural person who holds a license as a CPA to practice public accounting issued by this state, another state, or territory of the United States or the District of Columbia, or any state, country or province of another country if the other state or country or province of another country grants reciprocity licensure to holders of CPA licenses issued by this state.

(5) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.280 and 326.289, RSMo Supp. 2003. Original rule filed Aug. 31, 2000, effective Feb. 28, 2001. Amended: Filed April 5, 2004, effective July 30, 2004.

**Original authority: 326.262, RSMo 2001; 326.280, RSMo 2001 amended 2002; and 326.289, RSMo 2001; amended 2002.*

4 CSR 10-2.100 Violation of the Accountancy Law

(Rescinded January 13, 1979)

AUTHORITY: section 326.170, RSMo Supp. 1977. This version of rule filed Sept. 11, 1974, effective Sept. 21, 1974. Rescinded: Filed Sept. 13, 1978, effective Jan. 13, 1979.

4 CSR 10-2.101 Resident Manager

(Rescinded July 30, 2004)

AUTHORITY: section 326.110, RSMo Supp. 1993. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Dec. 15, 1983, effective April 12, 1984. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.110 Other Rulings

(Rescinded January 13, 1979)

AUTHORITY: section 326.170, RSMo Supp. 1977. This version of rule filed Sept. 11, 1974, effective Sept. 21, 1974. Amended: Filed October 3, 1974, effective Oct. 13, 1974. Rescinded: Filed Sept. 13, 1978, effective Jan. 13, 1979.

4 CSR 10-2.111 Registration of Each Office of Public Accounting

(Rescinded July 30, 2004)

AUTHORITY: sections 326.110, RSMo Supp. 1993 and 326.170, RSMo 1986. Original rule filed Sept. 11, 1974, effective Sept. 21, 1974. Amended: Filed Oct. 3, 1974, effective Oct. 13, 1974. Amended: Filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed April 1, 1986, effective July 11, 1986. Amended: Filed April 14, 1987, effective July 23, 1987. Amended: Filed April 9, 1993, effective Oct. 10, 1993. Amended: Filed Oct. 13, 1993, effective May 9, 1994. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.112 Registration of Governmental Accounting Offices

(Rescinded July 30, 2004)

AUTHORITY: sections 326.110, RSMo Supp. 1993 and 326.170, RSMo 1986. Original rule filed Sept. 3, 1986, effective Feb. 28, 1987.



Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.115 Display of Permits by Public Accounting Offices

(Rescinded July 30, 2004)

AUTHORITY: sections 326.110, RSMo Supp. 1993 and 326.170, RSMo 1986. Original rule filed July 10, 1984, effective Dec. 13, 1984. Amended: Filed Oct. 13, 1993, effective May 9, 1994. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.120 Ethics Examinations

(Rescinded July 30, 2004)

AUTHORITY: section 326.110, RSMo Supp. 1993. Original rule filed July 3, 1975, effective July 17, 1975. Amended: Filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed June 13, 1984, effective Oct. 11, 1984. Amended: Filed July 13, 1993, effective Jan. 31, 1994. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.130 Applications for Examination

PURPOSE: This rule provides the applicant with necessary information regarding the actual procedures relating to the applications for the certified public accountant examination.

(1) Persons desiring to take the examination shall apply on forms provided by the board and obtainable from the board's office or from the firm which administers the examination for the board. Different application forms are provided for initial examination and reexamination. Only those candidates who have taken at least one (1) part of the examination as a Missouri candidate may apply using a reexamination form. Candidates who are applying for the examination for the first time as a Missouri candidate and candidates who previously applied for the examination but did not take it must use the initial application form.

(2) Items which constitute a complete initial application are: a completed and notarized application form, the appropriate fee, one (1) recent two-inch by two-inch (2" × 2") passport-type photograph of the applicant and certified college transcripts. The applicant is responsible for insuring that transcripts are received by the board or the firm which administers the examination for the board at least thirty (30) days before the examination

or the application will be considered incomplete.

(3) Applicants wishing to apply for reexamination must call 1-800-CPA-Exam or register online at www.nasba.org and pay the appropriate fee.

(4) Applicants who wish to transfer conditional credit from other jurisdictions must use the initial application form and pay the fee for all parts of the examination. These candidates are responsible for requesting transfer of their grades from the original jurisdiction. The applicant is responsible for insuring that grades from the other jurisdiction are received by the board or the firm which administers the examination for the board at least thirty (30) days before the date of the examination or the application will be considered incomplete. A form for this purpose can be obtained from the board's office or the firm which administers the examination for the board.

(5) Applicants who are applying for examination under the provisions of section 326.280, RSMo and who expect to satisfy the educational requirements within sixty (60) days after the examination also must submit a certificate of enrollment as required by 4 CSR 10-2.135. The applicant is responsible for insuring that the certificate of enrollment is received by the board or the firm which administers the examination for the board at least thirty (30) days before the date of the examination or the application will be considered incomplete. A form for this purpose can be obtained from the board's office or the firm which administers the examination for the board.

(6) Requests for modifications to the examination administration to accommodate a disability must be made in writing with supportive documentation from the physician and should be received by the board or the firm which administers the examination for the board by the examination deadline.

(7) Candidates who are attending school in another state, who are on military duty in another state or who are on a temporary work assignment in another state, and candidates who are the spouses of persons who are attending school in another state, who are on military duty in another state or who are on a temporary work assignment in another state, may request that they be allowed to take the examination in another jurisdiction as a Missouri candidate. By the examination deadline, these candidates must submit the appropriate

application to this state with all required attachments and the appropriate fee. The request to be proctored in another jurisdiction must be made in writing to the board or the firm which administers the examination for the board and must be made prior to the other jurisdiction's deadline for receiving proctor requests. The applicant shall be responsible for paying any proctoring fee charged by the other jurisdiction and for complying with any other requirements specified by that jurisdiction. The board cannot guarantee that the candidate's request to be proctored in another jurisdiction will be granted by that jurisdiction.

(8) To assist the board in evaluating the educational qualifications of applicants who have degrees from colleges or universities outside the United States of America, these applicants shall have their educational qualifications and transcripts evaluated by a qualified evaluator which has been approved in advance by the board. Names and application forms for approved evaluators may be obtained from the board office. The applicant shall be responsible for paying any fees charged by the evaluator. The applicant is responsible for insuring that, at least thirty (30) days before the date of the examination, the evaluator's report detailing the evaluator's findings is received by the board or the firm which administers the examination for the board or the application will be considered incomplete.

(9) Applications must be received or bear a United States Postal Service postmark or its commercial carrier equivalent, by the examination deadline. For the November examination, the examination deadline is September 1; for the May examination, the examination deadline is March 1. If the deadline falls on a Saturday, Sunday or a legal holiday in the state of Missouri then the deadline shall be on the next day which is neither a Saturday, Sunday nor a legal holiday in the state of Missouri.

(10) Applications bearing a United States Postal Service postmark or its commercial carrier equivalent indicating receipt by the carrier for delivery after the deadlines specified above shall be stamped untimely filed and shall be returned to the sender without consideration.

(11) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall



remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.268 and 326.286, RSMo Supp. 2003. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Dec. 7, 1982, effective March 11, 1983. Amended: Filed March 14, 1984, effective July 12, 1984. Amended: Filed Feb. 5, 1990, effective June 28, 1990. Amended: Filed June 10, 1998, effective Dec. 30, 1998. Amended: Filed April 5, 2004, effective July 30, 2004.*

**Original authority: 326.262, RSMo 2001; 326.268, RSMo 2001; and 326.286, RSMo 2001, amended 2002.*

4 CSR 10-2.135 Requirements for Applicants for the Examination Who Expect to Satisfy the Educational Requirements Within Sixty Days After the Examination

PURPOSE: This rule specifies the procedure an applicant must follow to demonstrate that he or she reasonably expects to satisfy the educational requirements of section 326.280.1(4), RSMo.

(1) An applicant for examination under the provisions of section 326.280.5, RSMo who expects to satisfy the educational requirements of section 326.280.1, RSMo within sixty (60) days after the date of the examination shall submit with the application a certified copy of his or her transcript(s) listing all courses completed.

(2) The applicant shall submit a certificate of enrollment which must be signed by the candidate under oath and notarized or bear the school seal and the signature of the dean, registrar or department head of the college or university in which he or she is enrolled. This certificate of enrollment shall list all accounting and business courses the applicant currently is taking and state the anticipated date the courses will be completed, the degree the applicant will be awarded and the date the degree will be conferred. It shall be the applicant's responsibility to submit a certified copy of his or her final transcript as evidence that the applicant satisfies the educational requirements.

(3) No licenses shall be issued and no grades for any part of the examination shall be issued to any applicant unless the educational requirement, in fact, is met within the sixty (60)-day period.

(4) An applicant for the Uniform CPA Exam-

ination who is currently enrolled in college and who will complete all courses and graduation requirements no later than sixty (60) days following the examination, may be permitted to take the examination. In order to determine eligibility, the information required by this rule must be completed and submitted with all transcript(s) at least thirty (30) days prior to the examination.

(5) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.268 and 326.280, RSMo Supp. 2003. Original rule filed Sept. 6, 1983, effective Jan. 13, 1984. Amended: Filed Feb. 5, 1990, effective June 28, 1990. Amended: Filed April 5, 2004, effective July 30, 2004.*

**Original authority: 326.262, RSMo 2001; 326.268, RSMo 2001; and 326.280, RSMo 2001, amended 2002.*

4 CSR 10-2.140 Granting of Credit for the Examination

PURPOSE: This rule clarifies the requirements for granting credit for the examination.

(1) A candidate who passes two (2) parts of the exam and receives a score of fifty percent (50%) or more on the remaining parts of the examination at one (1) sitting shall be granted conditional credit for the part(s) of the examination passed. The conditional credit shall expire unless the candidate is granted credit for passing all remaining parts of the examination within the next six (6) regularly scheduled examinations. A candidate may add conditional credit of additional parts by passing one (1) or more parts of the exam and by receiving a score of fifty percent (50%) or more on any parts he or she did not pass. Adding to conditional credit shall not extend the time limit of the condition.

(2) Candidates who were granted credit for passing parts of the examination prior to the May 1994 examination are deemed to have been granted conditional credit according to the following guidelines:

(A) Credit granted for passing audit prior to May 1994 shall be retained as credit for auditing until either the remaining sections are passed or credit expires under this rule;

(B) Credit granted for passing business law prior to May 1994 shall be retained as credit

for business law and professional responsibilities until either remaining sections are passed or credit expires under this rule;

(C) Credit granted for passing accounting theory prior to May 1994 shall be retained as credit for financial accounting and reporting—business enterprises (FARE) until either remaining sections are passed or credit expires under this rule;

(D) Credit granted for passing accounting practice prior to May 1994 shall be retained as credit for accounting and reporting—taxation, managerial and governmental and not-for-profit organizations (ARE) until either remaining sections are passed or credit expires under this rule; and

(E) Candidates who passed the practice section prior to May 1994 shall be considered to have passed two (2) parts for the purpose of determining conditioning.

(3) A candidate shall be deemed to have passed the certified public accountant examination when he or she has been granted credit for all four (4) parts of the examination.

(4) In addition to the conditions set out in sections (1) and (2) of this rule, a grade of at least seventy-five percent (75%) is required to pass any part. After the November 2003 written examination, applicants are required to pass the computer-based Uniform CPA Examination.

(5) Transfer-of-credit of parts passed in another state will be allowed provided the candidate meets the requirements of this state for granting credit as set out in this rule.

(6) An applicant who was not required to take one (1) or more parts of the examination prior to May 1994 because of being licensed by this state as an attorney-at-law will not be required to pay the fee for that part(s) of the examination. Conditional credit granted under this section shall expire at the time of the May 1994 examination.

(7) An applicant who has been granted credit for parts passed in another state will not be required to pay the fee for that part(s) of the examination. Conditional credit granted under this section shall expire as provided in sections (1) and (2) of this rule.

(8) A candidate must sit for all parts of the examination for which the candidate has not already been granted conditional credit by this state.



(9) Candidates who have attained conditional status as of the launch date of the computer-based Uniform CPA Examination will be allowed a transition period to complete any remaining sections of the CPA examination. The transition period is the period of time or maximum number of opportunities (whichever is first exhausted) the candidates who have conditioned under the paper-and-pencil examination have remaining, at the launch of the computer-based CPA examination, to complete all remaining sections.

(10) If a previously conditioned candidate does not pass all remaining sections during the transition period, conditioned credits earned under the paper-and-pencil examination will expire and the candidate will lose credit for the sections earned under the paper-and-pencil examination. However, any section passed during the transition period is subject to the conditioning provisions of the computer-based examination as indicated in the aforementioned conditioning recommendation, except that a previously conditioned candidate will not lose conditional credit for a section of the computer-based examination that is passed during the transition period, even though more than eighteen (18) months may have elapsed from the date the section is passed, until the end of the transition period.

(11) After the launch date of the uniform computer-based examination when a candidate first passes one (1) or more sections of the CPA examination the candidate must pass any remaining sections within eighteen (18) months. In the event all four (4) sections of the Uniform CPA Examination are not passed within the rolling eighteen (18)-month period, credit for any section(s) passed outside the eighteen (18)-month period will expire and that section(s) must be retaken.

(12) No information pertaining to grades or passing or failing of candidates shall be given to anyone by telephone.

(13) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.268, and 326.280, RSMo Supp. 2003. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Oct. 16, 1979, effective Feb. 11, 1980. Amended: Filed July 10, 1984, effective Dec. 13, 1984. Amended: Filed April 9, 1993, effective Oct. 10, 1993.*

Amended: Filed April 5, 2004, effective July 30, 2004.

**Original authority: 326.262, RSMo 2001; 326.268, RSMo 2001; and 326.280, RSMo 2001, amended 2002.*

4 CSR 10-2.150 Examination Procedures

PURPOSE: This rule provides the applicant with information regarding the actual examination procedures.

(1) An examination is one of the regular semi-annual examinations administered by the board and shall include, but is not limited to, the following subjects (for examinations prior to May 1994): a) Auditing, b) Business law, c) Accounting theory and d) Accounting practice. Beginning in May 1994, examinations shall include, but not be limited to, the following subjects: a) Auditing, b) Business law and professional responsibilities, c) Financial accounting and reporting and d) Accounting and reporting—taxation, managerial, and governmental and not-for-profit organizations.

(2) Examinations shall be held in the months of May and November of each year in a location designated by the board. Notice of the time and place of the examination shall be mailed to each candidate whose application to sit for the examination has been filed with and approved by the board.

(3) An initial candidate is one who is sitting for the examination for the first time as a Missouri candidate.

(4) A candidate for reexamination is one who previously has sat for one (1) or more parts of the examination as a Missouri candidate.

(5) A candidate is required to pay a nonrefundable fee for all parts for which he or she has not yet been granted credit by this state. For the purpose of determining the fee, accounting practice is considered two (2) parts until the November 1993 examination, after which each part tested shall be charged as a single part.

(6) A candidate who shall have been found qualified to take the examination and fails to pass the examination shall remain qualified to apply for reexamination if the candidate in the meantime has not committed an act which is grounds to refuse to issue a license under section 326.310, RSMo.

(7) It will be counted as an examination if a candidate attends any one (1) of the examina-

tion sessions and signs an attendance card even though the candidate does not submit a paper.

(8) Reference to books, or other matter, by a candidate during the examination or exchange of information with other persons shall be considered fraud or deceit in obtaining a license.

(9) Prior to the May 1996 examination, copies of examination papers shall be provided to an examination candidate upon written authorization from the candidate and payment of the required fee only after the grading of the examination has been completed and the candidate's grades have been issued by the board.

(10) Beginning with the May 1996 examination, copies of examination papers will not be provided to candidates. Candidates who wish to appeal an examination grade may be allowed to review a copy of the examination and the candidate's answer to papers upon written request to the board postmarked not later than thirty (30) days after the examination grade release date. Such review shall be in the board office under the supervision of board staff, and at a time to be scheduled during regular state working hours. Candidates will not be allowed to write on the test materials, nor to take notes on, or make copies of, any test material.

(11) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.

AUTHORITY: sections 326.262, 326.268, 326.280 and 326.286, RSMo Supp. 2003. Original rule filed Sept. 13, 1978, effective Jan. 13, 1979. Amended: Filed Oct. 16, 1979, effective Feb. 11, 1980. Amended: Filed Aug. 6, 1981, effective Dec. 11, 1981. Amended: Filed Oct. 22, 1987, effective March 25, 1988. Amended: Filed April 9, 1993, effective Oct. 10, 1993. Amended: Filed April 5, 1995, effective Oct. 30, 1995. Amended: Filed April 5, 2004, effective July 30, 2004.*

**Original authority: 326.262, RSMo 2001; 326.268, RSMo 2001; and 326.280, RSMo 2001, amended 2002.*



4 CSR 10-2.160 Fees

PURPOSE: This rule establishes and fixes the fees and charges authorized by Chapter 326, RSMo.

(1) The following fees are established by the Missouri State Board of Accountancy:

- (A) Initial Reciprocity Fee \$240.00
(B) Wall Hanging Fee \$ 25.00
(C) Firm Permit Fee (professional corporation, sole proprietor, partnership, limited liability company) \$ 90.00
(D) Individual License Fee (initial)—
1. For annual renewal \$ 50.00
2. For biennial renewal \$100.00
(E) Individual License Fee (renewal)
1. For annual renewal \$ 50.00
2. For biennial renewal \$100.00
(F) Replacement Fee (license or permit) \$ 10.00
(G) Delinquent fee for failure to obtain a permit or license, or timely renew a permit or license (per month or portion of a month)—
1. Firms practicing public accounting in this state (Sole proprietors, limited liability companies, partnerships and professional corporations) (per month or portion of a month) \$ 25.00
2. All certified public accountants (per month or portion of a month) (not to exceed \$100.00)
(H) Provisional License to Practice (one year) \$150.00
(I) Proctoring Fee (proctoring exam candidates for other state boards) \$ 60.00

(2) All fees are nonrefundable and cannot be applied to another application, except under extraordinary circumstances as determined by the board.

(3) The provisions of this rule are declared severable. If any fee fixed by this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction.

AUTHORITY: sections 326.262, 326.271, 326.277, 326.280, 326.283, 326.286 and 326.289, RSMo Supp. 2003. *Emergency rule filed Aug. 6, 1981, effective Aug. 16, 1981,

expired Dec. 10, 1981. Original rule filed Aug. 6, 1981, effective Dec. 11, 1981. Amended: Filed Feb. 9, 1982, effective May 13, 1982. Amended: Filed Dec. 7, 1982, effective March 11, 1983. Amended: Filed Feb. 13, 1985, effective May 11, 1985. Amended: Filed June 10, 1986, effective Nov. 28, 1986. Amended: Filed May 4, 1987, effective July 23, 1987. Amended: Filed Aug. 13, 1987, effective Nov. 23, 1987. Amended: Filed Jan. 5, 1988, effective May 12, 1988. Amended: Filed Aug. 3, 1988, effective Nov. 24, 1988. Amended: Filed June 30, 1989, effective Sept. 28, 1989. Amended: Filed Feb. 5, 1990, effective June 28, 1990. Amended: Filed March 12, 1991, effective Aug. 30, 1991. Emergency amendment filed Aug. 15, 1991, effective Aug. 25, 1991, expired Dec. 12, 1991. Amended Filed: Sept. 25, 1991, effective March 9, 1992. Amended: Filed Feb. 25, 1993, effective Aug. 9, 1993. Amended: Filed April 9, 1993, effective Oct. 10, 1993. Emergency amendment filed April 28, 1994, effective May 9, 1994, expired Sept. 4, 1994. Amended: Filed April 28, 1994, effective Oct. 30, 1994. Amended: Filed May 2, 1994, effective Oct. 30, 1994. Amended: Filed Sept. 26, 1996, effective March 30, 1997. Amended: Filed Dec. 9, 1997, effective June 30, 1998. Amended: Filed Sept. 29, 1999, effective March 30, 2000. Emergency amendment filed July 10, 2001, effective July 20, 2001, expired Jan. 15, 2002. Amended: Filed Nov. 15, 2001, effective June 30, 2002. Amended: Filed April 5, 2004, effective July 30, 2004.

*Original authority: 326.262, RSMo 2001; 326.271, RSMo 2001, amended 2002; 326.277, RSMo 2001; 326.280, RSMo 2001, amended 2002; 326.283, RSMo 2001, amended 2002; 326.286, RSMo 2001, amended 2002; and 326.289, RSMo 2001, amended 2002.

4 CSR 10-2.170 Transitional Renewal Period and Fees

(Rescinded October 10, 1993)

AUTHORITY: sections 326.170, 326.200 and 620.010.15(2), RSMo 1986. Original rule filed Feb. 9, 1982, effective May 13, 1982. Rescinded: Filed April 19, 1993, effective Oct. 10, 1993.

4 CSR 10-2.180 Procedures for Peer Review Hearings

(Rescinded July 30, 2004)

AUTHORITY: sections 326.055 and 326.170, RSMo 1986 and 362.110, RSMo Supp. 1993. Original rule filed Dec. 11, 1984, effective May 11, 1985. Amended: Filed April 9, 1993,

effective Oct. 10, 1993. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.190 Subpoenas

(Rescinded July 30, 2004)

AUTHORITY: sections 326.110, RSMo Supp. 1993 and 326.170, RSMo 1986. Original rule filed Feb. 13, 1985, effective May 11, 1985. Rescinded Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.200 Use of the Title Certified Public Accountant and Display of CPA Licenses

PURPOSE: This rule clarifies when a certified public accountant who received his or her certificate prior to August 28, 2001, is prohibited from using the title certified public accountant and displaying a certified public accountant certificate.

(1) If the holder of a certificate as a certified public accountant (CPA) does not hold a current license to practice issued under prior law and he or she is engaged either full- or part-time in performing or offering to perform for the public one (1) or more types of services involving the use of accounting, auditing or bookkeeping skills, one (1) or more types of management advisory or consulting services, the preparation of tax returns, the furnishing of advice on tax matters, or any similar occupation, then he or she shall not use the title certified public accountant or CPA in any manner except in a resume or qualifications prepared in connection with an application for employment.

(2) If the holder of a certificate as a CPA does not hold a current license to practice issued under section 326.286, RSMo and if he or she is engaged either full- or part-time in performing or offering to perform for the public one (1) or more types of services involving the use of accounting, auditing or bookkeeping skills, one (1) or more types of management advisory or consulting services, the preparation of tax returns, the furnishing of advice on tax matters, or any similar occupation, then he or she shall not display his or her certificate.

(3) The provisions of this rule are declared severable. If any provision of this rule is held invalid by a court of competent jurisdiction, the remaining provisions of this rule shall remain in full force and effect, unless otherwise determined by a court of competent jurisdiction to be invalid.



AUTHORITY: sections 326.262 and 326.292, RSMo Supp. 2003. Original rule filed Sept. 16, 1985, effective March 24, 1986. Amended: Filed April 5, 2004, effective July 30, 2004.*

**Original authority: 326.262, RSMo 2001 and 326.292, RSMo 2001, amended 2002.*

4 CSR 10-2.210 Peer Reviews

(Rescinded July 30, 2004)

AUTHORITY: sections 326.110, RSMo Supp. 1993 and 326.170, RSMo 1986. Original rule filed Dec. 15, 1983, effective April 12, 1984. Rescinded: Filed April 5, 2004, effective July 30, 2004.

4 CSR 10-2.215 Requirements Necessary to be Accredited to Perform Peer Reviews Under Section 326.055.2, RSMo

(Rescinded July 30, 2004)

AUTHORITY: section 326.110, RSMo Supp. 1993. Original rule filed Feb. 5, 1990, effective June 28, 1990. Rescinded: Filed April 5, 2004, effective July 30, 2004.