

**ADOPTED REGULATION OF THE NEVADA
STATE BOARD OF ACCOUNTANCY**

LCB File No. R094-01

Effective October 17, 2001

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §1, NRS 628.120 and 628.380; §2, section 2 of chapter 93, Statutes of Nevada 2001; §§3 and 4, NRS 628.120 and section 1 of chapter 93, Statutes of Nevada 2001; §5, NRS 628.120 and 628.386; §6 NRS 628.120 and 628.160; §7, NRS 628.120.

Section 1. NAC 628.110 is hereby amended to read as follows:

628.110 1. The certificate of a certified public accountant or the registration of a public accountant *who holds a live permit and is in good standing* may, upon application to the board by the holder thereof, be placed by the board ~~in~~ *on* retired or inactive status.

2. *A certified public accountant or a registered public accountant whose certificate or registration is placed on retired status pursuant to subsection 1 must, if he thereafter includes any reference to his certification or registration on a business card, letterhead or similar document or device, include the word “retired” immediately following each such reference.*

3. Any employment related to the financial functions of business or government, including, without limitation, the supervision of such functions, will be considered as active involvement in the accounting profession, and the holder of the certificate or registrant does not qualify for inactive status.

~~3.~~ 4. A former holder of a certificate or a former registrant may be reinstated into the practice of public accounting from retired or inactive status by submitting an application to the board accompanied by the fee prescribed in NAC 628.120. The applicant must show that he has

completed at least 40 hours of continuing education during the 12 months immediately preceding his application.

~~[4.]~~ 5. A former holder of a certificate whose certificate has been voluntarily surrendered to the board must submit:

(a) A new application for licensing accompanied by:

- (1) The application fee;
- (2) The fee for annual renewal of the permit for any year the fee was not paid before he surrendered the certificate; and
- (3) The penalty for late filing for any year fees were not paid before he surrendered the certificate as prescribed in paragraph (e) of subsection 3 of NAC 628.120; and

(b) Proof that he has completed at least 40 hours of continuing education during the 12 months immediately preceding his application.

~~[5.]~~ 6. A former holder of a certificate whose certificate has been revoked for nonpayment of fees must submit:

(a) A new application for licensing accompanied by:

- (1) The application fee;
- (2) The fee for annual renewal of the permit for any year that the fee was not paid before his certificate was revoked; and
- (3) The penalty for late filing prescribed in paragraph (e) of subsection 3 of NAC 628.120 for any year that a fee was not paid before his certificate was revoked; and

(b) Proof that he has completed at least 80 hours of continuing education programs approved by the board during the 12 months immediately preceding the filing of the new application.

~~[6.]~~ 7. For the purposes of this section:

(a) "Inactive status" means the voluntary reversion by a holder of a certificate or a registrant to a nonprofessional status outside the fields of public, private or governmental accounting before reaching the age of retirement; and

(b) "Retired status" means the voluntary termination by a holder of a certificate or a registrant of all activities in the profession of public or private accounting upon the attainment of at least 60 years of age or upon becoming permanently disabled and no longer gainfully employed.

Sec. 2. NAC 628.120 is hereby amended to read as follows:

628.120 1. The following fees for examinations are prescribed by the board:

(a) For initial examination for a certificate as a certified public accountant until conditional credit is received, the board will establish each year a fee that will not exceed \$500.

(b) For reexamination after conditional credit is received, the board will establish each year fees that will not exceed \$100 per subject.

(c) For review and inspection of examination papers \$100

(d) For proctoring the Uniform Certified Public Accountant Examination administered in this state and taken by a nonresident applicant if that applicant is not required to pay the board a fee for the examination ~~[\$75]~~ \$250

2. The following fees for applications are prescribed by the board:

(a) For an application for a certificate as a certified public accountant by reciprocity or pursuant to passing the Uniform Certified Public Accountant Examination administered in this state or in another jurisdiction..... \$100

plus the actual cost of the investigation required pursuant to NAC 628.019, which will not exceed \$75.

(b) For an application for registration of a corporation, limited-liability company or partnership..... \$200

3. The following other fees are prescribed by the board:

(a) For a temporary permit to a nonresident accounting firm:

The proprietor, partner, member or shareholder responsible for the conduct of the engagement..... \$160

Each additional person employed in the conduct of the engagement during the period of the permit..... \$25

(b) For filing an annual report for a corporation, limited-liability company or partnership..... \$100

(c) For the late filing of an annual report of a corporation, limited-liability company or partnership..... \$100

(d) For reinstatement into public practice from retired or inactive status..... \$250

(e) For the late filing of the annual renewal of a permit to practice public accounting, after January 31 of each year..... \$100

(f) For an individual evaluation of experience pursuant to subsection 2 of NAC 628.060, in addition to any reasonable costs of travel actually incurred by the board and imposed pursuant to subsection 3 of NAC 628.060..... \$750

(g) A uniform fee for an annual permit or an annual renewal of a permit to practice public accounting will be established by the board each year. The fee will not exceed \$160 and will be prorated if an initial annual permit is obtained during the year.

4. Any fee paid pursuant to this section must be paid in the currency of the United States.

Sec. 3. NAC 628.120 is hereby amended to read as follows:

628.120 1. The following fees for examinations are prescribed by the board:

(a) For initial examination for a certificate as a certified public accountant until conditional credit is received, the board will establish each year a fee that will not exceed \$500.

(b) For reexamination after conditional credit is received, the board will establish each year fees that will not exceed \$100 per subject.

(c) For review and inspection of examination papers \$100

(d) For proctoring the Uniform Certified Public Accountant Examination administered in this state and taken by a nonresident applicant if that applicant is not required to pay the board a fee for the examination \$250

2. The following fees for applications are prescribed by the board:

(a) For an application for a certificate as a certified public accountant by reciprocity or pursuant to passing the Uniform Certified Public Accountant Examination administered in this state or in another jurisdiction..... \$100

plus the actual cost of the investigation required pursuant to NAC 628.019,
which will not exceed \$75.

(b) For an application for registration of a corporation, limited-liability company or partnership..... \$200

3. The following other fees are prescribed by the board:

(a) For a temporary permit to a nonresident accounting firm:

The proprietor, partner, member or shareholder responsible for the conduct
of the engagement \$160

Each additional person employed in the conduct of the engagement during
the period of the permit..... \$25

- (b) For filing an annual report for a corporation, limited-liability company or partnership..... \$100
- (c) For the late filing of an annual report of a corporation, limited-liability company or partnership..... \$100
- (d) For reinstatement into public practice from retired or inactive status..... \$250
- (e) For the late filing of the annual renewal of a permit to practice public accounting, after January 31 of each year..... \$100
- (f) For an individual evaluation of experience pursuant to subsection 2 of NAC 628.060, in addition to any reasonable costs of travel actually incurred by the board and imposed pursuant to subsection 3 of NAC 628.060..... \$750
- (g) *For registering a fictitious name* **\$100**

(h) A uniform fee for an annual permit or an annual renewal of a permit to practice public accounting will be established by the board each year. The fee will not exceed \$160 and will be prorated if an initial annual permit is obtained during the year.

4. Any fee paid pursuant to this section must be paid in the currency of the United States.

Sec. 4. NAC 628.130 is hereby amended to read as follows:

628.130 1. Applications for registration or any other required document or report must be filed with the board at its office.

2. A corporation, limited-liability company or partnership must file with the board an application for registration on a form furnished by the board. The application must be accompanied by the prescribed fee.

3. *An application for registration of a fictitious name must be filed on a form furnished by the board. The application must be accompanied by the prescribed fee.*

4. The board, within a reasonable time after the submission of an application for registration, will either approve the application and issue a certificate of registration or refuse approval and notify the ~~[corporation, limited liability company or partnership]~~ *applicant* of the reasons for refusal and ~~[describe]~~ the procedure for requesting a hearing on the disapproval.

Sec. 5. NAC 628.220 is hereby amended to read as follows:

628.220 1. A program qualifies as a program of continuing education if it:

(a) Is a formal program of learning which contributes to a growth in professional knowledge and the competence of a person engaged in the practice of public accounting;

(b) Meets the minimum standards of quality of development, presentation, measurement and the reporting of credits set forth in the *Statement on Standards for ~~[Formal]~~ Continuing Professional Education (CPE) Programs* published by the National Association of State Boards of Accountancy, as it existed on ~~[May 13, 1982,]~~ *October 17, 2001*, or other educational standards which may be established by the board;

(c) Requires attendance or is a program for individual study;

(d) Is at least 1 hour in length;

(e) Is conducted by a qualified instructor or leader of discussions;

(f) Is a postsecondary course of education or educational seminar;

(g) Requires a record of attendance if it is not a program for individual study; and

(h) Requires a written outline to be retained.

2. A copy of the statement may be obtained at no cost from the National Association of State Boards of Accountancy, 150 Fourth Avenue North, Suite 700, Nashville, Tennessee 37219-2417.

Sec. 6. NAC 628.500 is hereby amended to read as follows:

628.500 1. The board hereby adopts by reference the *Rules of Professional Conduct* adopted by the American Institute of Certified Public Accountants, as those rules existed on June 1, ~~1999,~~ 2000, with the following exceptions:

(a) References to “member” are amended to refer to “practitioner.”

(b) The definition of “financial statements” in ET Section 92 is amended to read as follows:

(1) “Financial statements” means:

(I) Any statements or footnotes related thereto that purport to demonstrate the financial condition of a person at a particular time or the change in a person’s financial condition during a particular period; or

(II) Any statements prepared using a cash or other comprehensive basis of accounting.

(2) The term includes balance sheets, statements of income, statements of retained earnings, statements of cash flows and statements of changes in equity.

(3) The term does not include incidental financial data that is included in reports concerning advisory services for management made to support recommendations to a client, tax returns or schedules in support of a tax return, or the statement, affidavit or signature of the person who prepares a tax return.

(c) The definition of “practice of public accounting” in ET Section 92 is amended to have the meaning ascribed to it in NRS 628.023.

(d) The disclosure required pursuant to Section B of Rule 503 must:

(1) Include the amount of the commission expressed in dollars or the method, described in plain language, used to calculate the commission;

(2) Include the name of the person or entity paying the commission;

(3) Be written;

(4) Be made on or before the date of referral or recommendation; and

(5) Be signed and dated.

(e) The statement, affidavit or signature of the preparer of a tax return does not constitute an opinion on a financial statement, and the preparer of the tax return is not required to make a disclaimer of such an opinion.

2. A copy of the *Rules of Professional Conduct* may be obtained:

(a) By mail from the American Institute of Certified Public Accountants, P.O. Box 2209, Jersey City, New Jersey 07303-2209, at a cost of \$13.50 for a printed copy or \$10 for a copy on CD-ROM; or

(b) On-line from the American Institute of Certified Public Accountants at its website at <http://www.aicpa.org/>, free of charge.

Sec. 7. 1. This section and sections 1, 2, 5 and 6 of this regulation become effective on October 17, 2001.

2. Sections 3 and 4 of this regulation become effective on January 1, 2002.