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## TITLE 872 INDIANA BOARD OF ACCOUNTANCY

LSA Document #01-310(F)

### DIGEST

Amends 872 IAC 1-1-8 to change the experience requirements for certified public accountants to bring the requirements into conformity with statutory changes by changing the types of experience required before a certificate or license may be issued. Amends 872 IAC 1-1-8.3 to require a licensee to verify an applicant's experience to meet the requirements of IC 25-2.1-3-10. Amends 872 IAC 1-1-8.4 to revise the use of an advanced degree as experience. Amends 872 IAC 1-1-10 to revise the fee schedule for certificate of registration for CPAs, PAs, and APs and for firm permits. Repeals 872 IAC 1-1-8.1. Effective 30 days after filing with the secretary of state.

**872 IAC 1-1-8**

**872 IAC 1-1-8.1**

**872 IAC 1-1-8.3**

**872 IAC 1-1-8.4**

**872 IAC 1-1-10**

SECTION 1. 872 IAC 1-1-8 IS AMENDED TO READ AS FOLLOWS:

#### **872 IAC 1-1-8 Experience requirements; credit for types of experience**

**Authority:** IC 25-2.1-2-15

**Affected:** IC 20-12-61; IC 20-12-62; IC 25-2.1-3-10

Sec. 8. (a) This section and sections ~~8.1~~ **8.2** through 8.5 of this rule implement the requirements in IC 25-2.1-3-10 for experience to be obtained by applicants for certified public accountant certificates before the certificate or license may be issued by the board. The experience requirements are **twenty-four (24) months** of full-time employment in the following positions:

- ~~(1) Thirty-six (36) months of practice in another state as a certified public accountant or as a public accountant.~~
- ~~(2) Thirty-six (36) months (1) As an employee or an accounting intern engaged as an accountant in an accounting position in a firm (as that term is defined in 872 IAC 1-0.5-1(11)).~~
- ~~(3) Thirty-six (36) months in an accounting internship with a firm.~~
- ~~(4) Forty-three (43) months as a field examiner for the state board of accounts, department of insurance, or department of financial institutions.~~
- ~~(5) Forty-three (43) months in an accounting internship with the state board of accounts.~~
- ~~(6) Fifty-four (54) months in a corporate internal audit position.~~
- ~~(7) Sixty (60) months supervising the accounting and reporting function for a business or corporation in the position of chief financial officer, chief accounting officer, controller, or other similar position.~~
- ~~(8) Sixty (60) months as a field auditor for the department of state revenue.~~
- ~~(9) Sixty (60) months as an Internal Revenue Service examiner.~~
- (2) As an employee in a financial or accounting position in industry, government, or a nonprofit organization.**
- (3) As an employee in an advisory and/or consulting services position related to one (1) or more of the following activities:**
  - (A) Financial.**
  - (B) Accounting.**
  - (C) Operational.**
- ~~(10) Sixty (60) months (4) As an instructor teaching accounting in a college or university (four (4) year institutions or junior colleges).~~
- ~~(11) Seventy-two (72) months in an accounting internship with a business or corporation or with a governmental agency, except the state board of accounts.~~
- ~~(12) Seventy-two (72) months (5) As an instructor teaching accounting in an institution created under IC 20-12-61~~

**IC 25-12-61** [*sic.*, *IC 20-12-61*] or private school registered under IC 20-12-62.

(13) ~~Governmental or industrial accounting positions not described elsewhere in this subsection shall require no less than seventy-two (72) months. The time required shall depend upon the following:~~

~~(A) The amount and variety of the accounting, financial reporting, tax planning, and statutory compliance (such as Securities and Exchange Commission reports and income tax returns):~~

~~(B) Composition of the position:~~

~~(C) The accounting qualifications and experience of the immediate superior:~~

(b) Clerical functions shall not count under this ~~subsection~~ **section** toward meeting the experience requirements. Clerical functions are positions that do not have accounting significance, including doing merely mathematical calculations, account analysis (looking into accounting books for specific information already recorded), and merely recording information in the general ledger (as opposed to compiling the information). Positions that partly qualify under this ~~subsection~~ **section** and partly do not qualify shall be treated under ~~the~~ **this** method provided for in section 8.2 of this rule with the part of the position that does **not** qualify under this ~~subsection~~ **section** being treated as if it were part-time employment.

~~(b)~~ (c) Experience in fractions of months will be counted.

**(d) An applicant may combine the types of experience described in subsection (a) of this rule. To do so, the applicant must obtain a total of twenty-four (24) months of experience.** (*Indiana Board of Accountancy; Rule 69-1,8; filed Jun 30, 1978, 9:54 a.m.: 1 IR 396; filed Aug 18, 1983, 3:20 p.m.: 6 IR 1928; filed Mar 20, 1985, 3:25 p.m.: 8 IR 1033; filed Aug 28, 1986, 3:20 p.m.: 10 IR 65; filed Nov 28, 1988, 5:32 p.m.: 12 IR 922; filed Jun 1, 1994, 5:00 p.m.: 17 IR 2343; errata filed Sep 14, 1994, 2:50 p.m.: 18 IR 269; filed Feb 21, 2000, 7:06 a.m.: 23 IR 1651; readopted filed Jun 22, 2001, 8:57 a.m.: 24 IR 3824; filed Apr 4, 2002, 9:28 a.m.: 25 IR 2518*)

SECTION 2. 872 IAC 1-1-8.3 IS AMENDED TO READ AS FOLLOWS:

#### **872 IAC 1-1-8.3 Experience verification**

Authority: IC 25-2.1-2-15

Affected: IC 20-12-61; IC 20-12-62; IC 25-2.1-3-10

Sec. 8.3. (a) An applicant's experience in a particular position meets the ~~supervision or direction requirements in IC 25-2.1-3-10 if the work was under the supervision or direction requirement of an individual with an active license and that individual:~~ **is verified by a licensee who:**

(1) employed the applicant or a legal entity controlled by that individual employed the applicant;

(2) worked for the same employer as the ~~applicant; or applicants;~~

(3) reviewed the accounting work of the applicant on a periodic basis in the capacity of an outside accounting firm, a government agency, or some similar capacity; **or**

**(4) otherwise has direct knowledge of the work performed by the applicant.**

(b) **Any licensee who has been requested by an applicant to submit to the board verification of the applicant's experience and has refused to do so shall, upon request by the board, explain in writing or in person the basis for such refusal.** (*Indiana Board of Accountancy; 872 IAC 1-1-8.3; filed Feb 21, 2000, 7:06 a.m.: 23 IR 1653; readopted filed Jun 22, 2001, 8:57 a.m.: 24 IR 3824; filed Apr 4, 2002, 9:28 a.m.: 25 IR 2519*)

SECTION 3. 872 IAC 1-1-8.4 IS AMENDED TO READ AS FOLLOWS:

#### **872 IAC 1-1-8.4 Advanced degree as experience**

Authority: IC 25-2.1-2-15

Affected: IC 20-12-61; IC 20-12-62; IC 25-2.1-3-10

Sec. 8.4. (a) A master's degree in accounting or business administration from a college or university recognized by the board may be substituted for ~~one (1) year~~ **twelve (12) months of public** accounting experience for any person who ~~has met the education requirement outlined in section 6 of this rule and~~ was a first time examination candidate prior to January 1, 2000.

(b) A doctorate degree in accounting or business administration from a college or university recognized by the board may be substituted for ~~one (1) year~~ **twelve (12) months** of public accounting experience. ~~for any person who has met the education requirement outlined in section 6 or section 6.1 of this rule.~~

(c) For ~~the~~ purposes of this section, an advanced degree shall be calculated ~~in the same manner~~ as twelve (12) months of ~~employment in a firm~~ **experience** under section ~~8(a)(2)~~ **8** of this rule.

(d) An applicant may not receive experience credit from more than one (1) advanced degree. (*Indiana Board of Accountancy; 872 IAC 1-1-8.4; filed Feb 21, 2000, 7:06 a.m.: 23 IR 1653; readopted filed Jun 22, 2001, 8:57 a.m.: 24 IR 3824; filed Apr 4, 2002, 9:28 a.m.: 25 IR 2519*)

SECTION 4. 872 IAC 1-1-10 IS AMENDED TO READ AS FOLLOWS:

**872 IAC 1-1-10 Application; fees**

**Authority:** IC 25-2.1-2-15

**Affected:** IC 4-21.5-3-1; IC 25-2.1

Sec. 10. (a) Applications to take the May examination must be filed by the preceding March 1. ~~Applications~~ **Application** to take the November examination must be filed by the preceding September 1. If March 1 or September 1 is a Saturday, a Sunday, a legal holiday under state statute, or a day that the Indiana professional licensing agency's offices are closed during regular business hours, the deadline shall be the first day thereafter that is not a Saturday, a Sunday, a legal holiday under state statute, or a day that the Indiana professional licensing agency's offices are closed during regular business hours. The date ~~on~~ **the** application is filed shall be calculated in the manner provided for in IC 4-21.5-3-1(f). Applicants will be notified of their eligibility to sit for the exam.

(b) All fees are nonrefundable and nontransferable. The following is a schedule of fees adopted by the board:

(1) Transfer of grades, forty dollars (\$40).

(2) CPA certificate by reciprocity, fifty dollars (\$50).

(3) Triennial certificate of registration for CPAs, PAs, and APs, forty-five dollars (\$45).

**(4) For restoration of an expired triennial certificate of registration for CPAs, PAs, and APs, fifty dollars (\$50), plus all unpaid renewal fees.**

~~(4)~~ **(5)** Triennial permit to practice for firms, twenty dollars (\$20).

**(6) For restoration of an expired triennial permit to practice for firms, fifty dollars (\$50), plus all unpaid renewal fees.**

(c) Notwithstanding subsection (b)(3), a fee for an individual initially registered in the:

(1) second year of a triennial registration period shall be thirty dollars (\$30); and

(2) third year of the triennial registration period shall be fifteen dollars (\$15).

(d) Failure of an applicant to pay the initial registration fee will cause the application to be terminated one (1) year after the board's action granting registration.

(e) Should an applicant pay the initial registration fee after the first renewal deadline for all licensees following the applicant's approval for licensure, the applicant must pay the renewal fee in addition to the initial registration fee in order to become licensed. (*Indiana Board of Accountancy; Rule 69-1, 10; filed Jun 30, 1978, 9:54 a.m.: 1 IR 396; filed Feb 15, 1980, 3:05 p.m.: 3 IR 639; filed Aug 18, 1983, 3:20 p.m.: 6 IR 1928; filed May 1, 1984, 12:50 p.m.: 7 IR 1540; filed Mar 20, 1985, 3:25 p.m.: 8 IR 1033; filed Aug 28, 1986, 3:20 p.m.: 10 IR 65; filed Aug 6, 1990, 4:30 p.m.: 13 IR 2135; filed Jun 1, 1994, 5:00 p.m.: 17 IR 2345; errata filed Jul 28, 1994, 4:00 p.m.: 17 IR 2891; filed Jul 6, 1995, 12:00 p.m.: 18 IR 2784; filed Jun 14, 1996, 3:00 p.m.: 19 IR 3110; filed Feb 21, 2000, 7:06 a.m.: 23 IR 1654; readopted filed Jun 22, 2001, 8:57 a.m.: 24 IR 3824; filed Apr 4, 2002, 9:28 a.m.: 25 IR 2520*)

SECTION 5. 872 IAC 1-1-8.1 IS REPEALED

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