
SUBSTITUTE SENATE BILL 5434

State of Washington

61st Legislature

2009 Regular Session

By Senate Labor, Commerce & Consumer Protection (originally sponsored by Senators Marr, Holmquist, Kohl-Welles, and Shin; by request of State Board of Accountancy)

READ FIRST TIME 02/11/09.

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

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

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

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

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

1 (3) No firm with an office in this state may (~~practice public~~
2 ~~accounting in this state~~) perform or offer to perform attest services
3 as defined in RCW 18.04.025(1) or compilation services as defined in
4 RCW 18.04.025(6) or assume or use the designation "certified public
5 accountant" or "CPA" or any other title, designation, words, letters,
6 abbreviation, sign, card, or device tending to indicate that the firm
7 is composed of certified public accountants or CPAs, unless the firm is
8 licensed under RCW 18.04.195 and all offices of the firm in this state
9 are maintained and registered under RCW 18.04.205. This subsection
10 does not limit the services permitted under RCW 18.04.350(10) by
11 persons not required to be licensed under this chapter.

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

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

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

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

37 (8) No individual licensed in another state may sign, affix, or

1 associate a firm name to any report prescribed by professional
2 standards, or associate a firm name in conjunction with the title
3 certified public accountant, unless the individual:

4 (a) Qualifies for the practice privileges authorized by RCW
5 18.04.350(2); or

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

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

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

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

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