

## CHAPTER 473

## PUBLIC ACCOUNTANCY

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**473.301 Purpose.**—The Legislature recognizes that there is a public need for independent and objective public accountants and that it is necessary to regulate the practice of public accounting to assure the minimum competence of practitioners and the accuracy of audit statements upon which the public relies and to protect the public from dishonest practitioners and, therefore, deems it necessary in the interest of public welfare to regulate the practice of public accountancy in this state.

**History.**—ss. 1, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 4, ch. 91-429.

**473.302 Definitions.**—As used in this chapter, the term:

- (1) "Board" means the Board of Accountancy.
- (2) "Department" means the Department of Business and Professional Regulation.
- (3) "Division" means the Division of Certified Public Accounting.
- (4) "Certified public accountant" means a person who holds a license to practice public accounting in this state under the authority of this chapter.
- (5) "Practice of," "practicing public accountancy," or "public accounting" means:

(a) Offering to perform or performing for the public one or more types of services involving the expression of an opinion on financial statements, the attestation as an expert in accountancy to the reliability or fairness of

presentation of financial information, the utilization of any form of disclaimer of opinion which conveys an assurance of reliability as to matters not specifically disclaimed, the expression of an opinion on the reliability of an assertion by one party for the use by a third party, or the preparation of financial statements by a certified public accountant, a firm of certified public accountants, or a firm in which a certified public accountant has an ownership interest, including the performance of such services in the employ of another person; or

(b) Offering to perform or performing for the public one or more types of services involving the use of accounting skills, or one or more types of management advisory or consulting services, by any person holding himself or itself out as a certified public accountant or a firm of certified public accountants, including the performance of such services by a certified public accountant in the employ of a person so holding himself or itself out.

However, these terms shall not include services provided by the American Institute of Certified Public Accountants or the Florida Institute of Certified Public Accountants, or any full service association of certified public accounting firms whose plans of administration have been approved by the board, to their members or services performed by these entities in reviewing the services provided to the public by members of these entities.

(6) "Holding out" means advertising, as a part of a licensee's business activities, that the licensee is a certified public accountant when providing, or offering to provide, services or products to the public which involve the use of accounting skills or one or more types of management advisory or consulting services.

**History.**—ss. 2, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 1, ch. 89-87; s. 4, ch. 91-429; s. 3, ch. 92-292; s. 124, ch. 94-119; s. 155, ch. 94-218.

**473.303 Board of Accountancy.**—

(1) There is created in the department the Board of Accountancy. The board shall consist of nine members, seven of whom must be certified public accountants and two of whom must be laypersons who are not and have never been certified public accountants or members of any closely related profession or occupation. The members who are certified public accountants must have practiced public accounting on a substantially full-time basis for at least 5 years. At least one member of the board must be 60 years of age or older. Each member shall be appointed by the Governor, subject to confirmation by the Senate.

(2) Notwithstanding the provisions of s. 455.225(4), the probable cause panel of the board may be composed of at least one board member who shall serve as chairman and additional board members or one past member of the board who is a licensee in good standing. The past board member shall be appointed to the panel for a maximum of 2 years by the chairman of the board with the approval of the secretary of the department.

**History.**—ss. 3, 25, ch. 79-202; ss. 2, 3, ch. 81-318; s. 52, ch. 83-329; ss. 1, 10, 11, ch. 85-9; s. 21, ch. 87-172; s. 23, ch. 91-137; s. 4, ch. 91-429; s. 156, ch. 94-218.

**473.3035 Division of Certified Public Accounting.—**

(1) All services concerning this chapter, including, but not limited to, recordkeeping services, examination services, legal services, and investigative services, and those services in chapter 455 necessary to perform the duties of this chapter shall be provided by the Division of Certified Public Accounting. The board may, by majority vote, delegate a duty or duties to the appropriate division within the department. The board may, by majority vote, rescind any such delegation of duties at any time.

(2) The Division of Certified Public Accounting shall be funded by fees and assessments of the board, and funds collected by the board shall be used only to fund public accounting regulation. Funding for the Division of Certified Public Accounting shall be governed by ss. 215.37 and 455.219.

**History.**—s. 4, ch. 92-292.

**473.304 Rules of board; powers and duties; legal services.—**

(1) The board shall adopt all rules necessary to administer this act. Every licensee shall be governed and controlled by this act and the rules adopted by the board.

(2) Subject to the prior approval of the Attorney General, the board may retain independent legal counsel to provide legal advice to the board on a specific matter.

(3) An attorney employed or used by the board may not both prosecute a matter and provide legal services to the board with respect to the same matter.

**History.**—ss. 3, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 4, ch. 91-429; s. 5, ch. 92-292.

**473.305 Fees.**—The board, by rule, may establish fees to be paid for applications, examination, reexamination, licensing and renewal, reinstatement, and recordmaking and recordkeeping. The fee for the examination shall be established at an amount that covers the costs for the procurement or development, administration, grading, and review of the examination. The fee for the examination is refundable if the applicant is found to be ineligible to sit for the examination. The fee for initial application is nonrefundable, and the combined fees for application and examination may not exceed \$250 plus the actual per applicant cost to the department for purchase of the examination from the American Institute of Certified Public Accountants or a similar national organization. The biennial renewal fee may not exceed \$250. The board may also establish, by rule, a reactivation fee, a late filing fee for the law and rules examination, and a delinquency fee not to exceed \$50 for continuing professional education reporting forms. The board shall establish fees which are adequate to ensure the continued operation of the board and to fund the proportionate expenses incurred by the department which are allocated to the regulation of public accountants. Fees shall be based on department estimates of the revenue required to implement this chapter and the provisions of law with respect to the regulation of certified public accountants.

**History.**—ss. 4, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 2, 10, 11, ch. 85-9; s. 1, ch. 87-221; s. 22, ch. 86-205; s. 48, ch. 89-162; s. 20, ch. 89-374; s. 4, ch. 91-429.

**473.306 Examinations.—**

(1) A person desiring to be licensed as a certified public accountant shall apply to the department for licensure.

(2) An applicant is entitled to take the licensure examination to practice in this state as a certified public accountant if the applicant:

(a) Is of good moral character; and

(b) Has met the following educational requirements from an accredited college or university:

1. If application is made prior to August 2, 1983, a baccalaureate degree with a major in accounting or its equivalent with a concentration in accounting and business to the extent specified by the board.

2. If application is made after August 1, 1983, a baccalaureate degree with a major in accounting or its equivalent plus at least 30 semester or 45 quarter hours in excess of those required for a 4-year baccalaureate degree, with a concentration in accounting and business in the total educational program to the extent specified by the board.

(3) The board shall have the authority to establish the standards for determining and shall determine:

(a) What constitutes a passing grade for each subject or part of the licensure examination;

(b) Which educational institutions, in addition to the universities in the State University System of Florida, shall be deemed to be accredited colleges or universities;

(c) What courses and number of hours constitute a major in accounting;

(d) What courses and number of hours constitute additional accounting courses acceptable under subparagraph (2)(b)2.; and

(e) What courses and number of hours constitute an additional 1 year of accounting courses, acceptable in lieu of 1 year of employment, under s. 473.307(2).

(4)(a) "Good moral character" means a personal history of honesty, fairness, and respect for the rights of others and for the laws of this state and nation.

(b) The board may refuse to certify an applicant for failure to satisfy this requirement if:

1. The board finds a reasonable relationship between the lack of good moral character of the applicant and the professional responsibilities of a certified public accountant; and

2. The finding by the board of lack of good moral character is supported by competent substantial evidence.

(c) When an applicant is found to be unqualified for a license because of a lack of good moral character, the board shall furnish the applicant a statement containing the findings of the board, a complete record of the evidence upon which the determination was based, and a notice of the rights of the applicant to a rehearing and appeal.

(5) The board may adopt an alternative licensure examination for Canadian chartered accountants who have completed the Canadian chartered accountant licensure examination and hold a chartered accountant license from a Canadian province.

**History.**—ss. 5, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 3, 10, 11, ch. 85-9; s. 2, ch. 87-221; s. 4, ch. 91-429; s. 125, ch. 94-119.

**473.307 Experience.**—If application is made prior to August 2, 1983, an applicant who passes the examination shall be entitled to be licensed as a certified public accountant pursuant to s. 473.308 if the applicant:

(1) Has worked for a period of at least 1 year under the supervision of a certified public accountant who is licensed in this state or in another state or territory of the United States and who is engaged in the full-time private practice of public accounting; or

(2) Has been employed for at least 1 year as an auditor or accountant, or in a similar position, by a unit of federal, state, or local government, provided the position required the use of accounting skills and the applicant was supervised during such employment by a certified public accountant who was employed on a full-time basis. Experience which satisfies this requirement includes, but is not limited to, employment as:

(a) An auditor or accounting analyst on the staff of the accounting department of the Florida Public Service Commission; or

(b) An accountant or postauditor on the staff of the Auditor General; or

(3) Has successfully completed at least 1 additional year of accounting courses at an accredited college or university.

**History.**—ss. 6, 25, ch. 79-202; ss. 13, 15, 25, 30, 31, 34, 62, ch. 80-406; ss. 16, 18, ch. 81-302; ss. 2, 3, ch. 81-318; s. 3, ch. 83-265; ss. 10, 11, ch. 85-9; s. 4, ch. 91-429.

**473.308 Licensure.**—

(1) The department shall license any applicant who the board certifies is qualified to practice public accounting.

(2) The board shall certify for licensure any applicant who successfully passes the licensure examination and satisfies the requirements of ss. 473.306 and 473.307 and shall certify for licensure any firm which satisfies the requirements of ss. 473.309 and 473.3101. The board may refuse to certify any applicant or firm that has violated any of the provisions of s. 473.322.

(3) The board shall certify as qualified for a license by endorsement an applicant who:

(a) Is not licensed and has not been licensed in another state or territory and who qualifies to take the examination as set forth in s. 473.306, who has passed a national, regional, state, or territorial licensing examination which is substantially equivalent to the examination required by s. 473.306, and who has satisfied the experience requirements set forth in s. 473.307; or

(b)1.a. Holds a valid license to practice public accounting issued by another state or territory of the United States, if the criteria for issuance of such license were substantially equivalent to the licensure criteria which existed in this state at the time the license was issued; or

b. Holds a valid license to practice public accounting issued by another state or territory of the United States but the criteria for issuance of such license did not meet the requirements of sub-subparagraph a., who qualifies to take the examination as set forth in s. 473.306, who has passed a national, regional, state, or territorial licensing examination which is substantially equivalent to the examination required by s. 473.306, and who has satisfied the experience requirements set forth in s. 473.307; and

2. Has completed continuing education courses which are equivalent to the continuing education requirements for a licensee in this state during the 2 years immediately preceding his application for licensure by endorsement.

(4) If application for licensure is made prior to August 1, 2000, and the applicant has 5 years of experience in the practice of public accountancy, either in the United States or as a licensed chartered accountant in Canada, the board shall waive the requirements of s. 473.306(2)(b)2. that are in excess of a baccalaureate degree. All experience that is used as a basis for waiving said requirements of s. 473.306(2)(b)2. must be experience outside this state. Furthermore, said experience must be after licensure as a certified public accountant by another state or territory of the United States. The board shall have the authority to establish the standards for experience that meet this requirement.

(5) The board may refuse to certify for licensure any applicant who is under investigation in another state for any act which would constitute a violation of this act or chapter 455, until such time as the investigation is complete and disciplinary proceedings have been terminated.

**History.**—ss. 7, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 4, 10, 11, ch. 85-9; s. 1, ch. 86-102; s. 21, ch. 89-374; s. 4, ch. 91-429; ss. 126, 223, ch. 94-119; s. 3, ch. 94-151.

**473.309 Practice requirements for partnerships, professional service corporations, and limited liability companies.**—

(1) A partnership shall not engage in the practice of public accounting in this state unless:

(a) At least one general partner and each partner domiciled in this state is a certified public accountant of this state and holds an active license;

(b) Each partner is a certified public accountant in some state; and

(c) The partnership is currently licensed as required by s. 473.3101.

(2) A corporation shall not engage in the practice of public accounting in this state unless:

(a) It is a professional service corporation duly organized in this or any other state;

(b) Each shareholder of the corporation is licensed as a certified public accountant in some state and is principally engaged in the business of the corporation;

(c) The principal officer of the corporation and any officer or director having authority over the practice of public accounting by the corporation is a certified public accountant in some state;

(d) At least one shareholder of the corporation, and each shareholder, director, and officer domiciled in this state having authority over the practice of public accounting by the corporation, is a certified public accountant and holds an active license in this state;

(e) It is in compliance with rules adopted by the board pertaining to minimum capitalization and adequate public liability insurance; and

(f) It is currently licensed as required by s. 473.3101.

(3) A limited liability company may not engage in the practice of public accounting in this state unless:

(a) It is a limited liability company that is organized in this or any other state.

(b) Each member of the limited liability company is a certified public accountant in some state.

(c) At least one member of the limited liability company, and each member or manager domiciled in this state having authority over the practice of public accounting by the limited liability company, is a certified public accountant and holds an active license in this state.

(d) It is currently licensed as required by s. 473.3101.

(e) It is in compliance with rules adopted by the board pertaining to minimum capitalization and adequate public liability insurance.

**History.**—ss. 8, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 22, ch. 89-374; s. 4, ch. 91-429; s. 16, ch. 93-110; s. 1, ch. 93-284.

#### **473.3101 Licensure of partnerships, corporations, and limited liability companies.—**

(1) Each partnership, corporation, or limited liability company seeking to engage in the practice of public accounting in this state must file an application for licensure with the department and supply the information the board requires. An application must be made upon the affidavit of a general partner, shareholder, or member who is a certified public accountant.

(2) The board shall determine whether the partnership, corporation, or limited liability company meets the requirements for practice and, pending that determination, may certify to the department the partnership, corporation, or limited liability company for provisional licensure.

(3) Each license must be renewed every 2 years. Each partnership, corporation, or limited liability company licensed under this section must notify the department within 1 month after any change in the information contained in the application on which its license is based.

**History.**—ss. 9, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 4, ch. 91-429; s. 17, ch. 93-110; s. 2, ch. 93-284.

#### **473.311 Renewal of license.—**

(1) The department shall renew a license upon receipt of the renewal application and fee and upon certification by the board that the licensee has satisfactorily completed the continuing education requirements of s. 473.312 and has passed an examination approved by the board on chapter 455 and this chapter and the related administrative rules.

(2) The department shall adopt rules establishing a procedure for the biennial renewal of licenses.

**History.**—ss. 11, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 5, 10, 11, ch. 85-9; s. 4, ch. 91-429; s. 220, ch. 94-119.

**473.312 Continuing education.—**As part of the license renewal procedure, the board shall by rule require licensees to submit proof satisfactory to the board that during the 2 years prior to application for renewal, they have successfully completed not less than 48 or more than 80 classroom hours of continuing professional education programs in public accounting subjects approved by the board. The board may prescribe by rule additional continuing professional education hours, not to exceed 25 percent of the total hours required, for failure to complete the hours required for renewal by the end of the reestablishment period.

(1) Not less than 25 percent of the total hours required by the board shall be in accounting-related and auditing-related subjects, as distinguished from federal and local taxation matters and management services.

(2) Programs of continuing professional education approved by the board shall be formal programs of learning which contribute directly to the professional competency of an individual following licensure to practice public accounting and may be any of the following:

(a) Professional development programs of the American Institute of Certified Public Accountants, state societies of certified public accountants, or other organizations.

(b) Technical sessions at meetings of the American Institute of Certified Public Accountants, state societies, chapters, or other organizations.

(c) University and college courses.

(d) Formal organized in-firm education programs.

(3) The board shall adopt rules establishing the continuing education requirements for licensees who are engaged in the audit of a governmental entity. The board shall approve subjects directly related to the governmental environment and to governmental auditing for purposes of satisfying the requirement of this subsection.

**History.**—ss. 10, 25, ch. 79-202; s. 345, ch. 81-259; ss. 2, 3, ch. 81-318; ss. 6, 10, 11, ch. 85-9; s. 3, ch. 87-221; s. 2, ch. 89-87; s. 4, ch. 91-429.

#### **473.313 Inactive status.—**

(1) A licensee may request that his license be placed in an inactive status by making application to the department. The board may prescribe by rule fees for placing a license on inactive status, renewal of inactive status, and reactivation of an inactive license.

(2) A license that has become inactive may be reactivated under s. 473.311 upon application to the department. The board may prescribe by rule continuing education requirements as a condition of reactivating a license. The minimum continuing education requirements for reactivating a license shall be those of the most recent biennium plus one-half of the requirements in s. 473.312 for each year or part thereof during which the license was inactive.

**History.**—ss. 12, 25, ch. 79-202; s. 346, ch. 81-259; ss. 17, 18, ch. 81-302; ss. 2, 3, ch. 81-318; s. 3, ch. 83-265; s. 53, ch. 83-329; ss. 7, 10, 11, ch. 85-9; s. 4, ch. 91-429; s. 221, ch. 94-119.

#### **473.314 Temporary license.—**

(1) The board shall adopt rules providing for the issuance of temporary licenses to certified public accountants or firms of other states, for the purpose of enabling them or their employees to perform specific engagements involving the practice of public accountancy in this state. No temporary license shall be valid for more than 90 days after its issuance, and no license shall cover more than one engagement. After the expiration of 90 days, a new license shall be required.

(2) Each application for a temporary license shall state the names of all persons who are to enter this state and shall be accompanied by a fee in an amount established by the board not to exceed \$400.

(3) A temporary license shall not be required of a person entering this state solely for the purpose of preparing federal tax returns or advising as to federal tax matters.

(4) Upon certification of the applicant by the board, the department shall issue a temporary license to the applicant.

(5) The application for a temporary license shall constitute the appointment of the Department of State as an agent of the applicant for service of process in any action or proceeding against the applicant arising out of any transaction or operation connected with, or incidental to, the practice of public accounting for which the temporary license was issued.

**History.**—ss. 13, 25, ch. 79-202; s. 347, ch. 81-259; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 24, ch. 91-137; s. 4, ch. 91-429.

**473.3145 Certificates of special competence; Specialization Advisory Committee.—**

(1) **PURPOSE.**—The purpose of this section is to better serve the public interest and advance the professional and ethical standards of the practice of public accountancy by promoting the availability, accessibility, and quality of the services of certified public accountants having expertise in one or more specialized fields of public accountancy and by recognizing and regulating those certified public accountants.

(2) **SPECIALIZED FIELDS OF PUBLIC ACCOUNTANCY.—**

(a) The fields of public accountancy for which certificates of special competence may be awarded are:

1. **Taxation.**—A certified public accountant who is "Board Certified in Taxation" is one who has distinctive knowledge, skills, and proficiency in the areas of federal, state, and local taxation for individuals, corporations, partnerships, estates, and trusts.

2. **Business and Financial Services.**—A certified public accountant who is "Board Certified in Business and Financial Services" is one who has distinctive knowledge, skills, and proficiency in the areas of taxes, accounting, and financial services for individuals, businesses, and professions.

3. **Management Advisory Services.**—A certified public accountant who is "Board Certified in Management Advisory Services" is one who has distinctive knowledge, skills, and proficiency in business organization and the technical disciplines necessary to identify problems and formulate and implement recommendations with respect to executive planning, implementation, and control; finance and accounting; information management, including data processing; operations; human resources; marketing; and management services.

4. **Managerial Accounting.**—A certified public accountant who is "Board Certified in Managerial Accounting" is one who has distinctive knowledge, skills, and proficiency in accounting for and management of the financial activities of industry.

5. **Financial Planning.**—A certified public accountant who is "Board Certified in Financial Planning" is one who has distinctive knowledge, skills, and proficiency in the various areas of financial planning, including taxation, estate planning, retirement, risk management, and investments, for individuals, corporations, partnerships, estates, and trusts.

(b) After July 1, 1997, the board may, by a two-thirds vote, establish additional fields of public accountancy,

for which certificates of special competence may be issued, for those areas of expertise which are determined by the board to require distinctive knowledge, skills, and competency.

(3) **LIMITATIONS AND DISCLOSURES.**—A licensee may not state or imply that the licensee has received formal recognition as a specialist in any aspect of the practice of public accounting unless the licensee holds a certificate of special competence issued under this section or unless the statement declaring or implying specialization contains a disclaimer which states that the recognizing entity is not affiliated with or sanctioned by either the state or the Federal Government. The disclaimer must also contain that entity's requirements for recognition, including, but not limited to, education, experience, and testing. The disclaimer must be in the immediate proximity of the statement that declares or implies formal recognition as a specialist. A form of recognition by any entity other than the board may not use the term "certified," "public," "auditor," or "auditing." However, nothing in this subsection prohibits a licensee from disclosing that the licensee is licensed in another state or jurisdiction.

(4) **POWERS AND DUTIES OF BOARD; LIMITATIONS.—**

(a) **Powers and duties.**—The board shall have general jurisdiction over the program established by this section for the designation, issuance, and regulation of certificates of special competence for certified public accountants having expertise in one or more specialized fields of public accountancy and, pursuant thereto, shall have the power and duty to:

1. Administer the program pursuant to the provisions of this section and all rules adopted pursuant thereto.

2. Make and publish reasonable and nondiscriminatory standards for the education, experience, good moral character, level of proficiency, and other requirements for a certified public accountant to qualify for a certificate of special competence in a specialized field of public accountancy.

3. Provide procedures for the investigation and evaluation of the qualifications of applicants for certification and of certificateholders seeking recertification.

4. Provide the form of the certificates of special competence.

5. Make and publish reasonable and nondiscriminatory standards for the approval of programs for the testing of applicants for each certificate of special competence authorized under this section. The testing programs shall be those of nationally recognized organizations that have demonstrated, to the board's satisfaction, that their programs can accurately assess the level of proficiency in a specialized field of public accountancy necessary for certification under this section.

6. Make and publish reasonable and nondiscriminatory standards for continuing proficiency, recertification, and renewal of expired certificates of special competence.

7. Encourage schools of accountancy, the Florida Institute of Certified Public Accountants, and other agencies of continuing professional education that provide training in accountancy to develop and maintain a

program of continuing professional education to meet the standards prescribed by the board under this section.

(b) *Limitations.*—The board is limited in its powers under this section as follows:

1. Participation in the program shall be on a voluntary basis only.

2. The board may not adopt any standard with the intent of restricting a certificateholder from practicing in any other field of public accountancy, and any certified public accountant holding one or more active certificates of special competence may, alone or in association with any other certified public accountant or firm of certified public accountants, practice in any other field or all other fields of public accountancy as authorized by law.

3. A certified public accountant may not be required to be certified in a specialized field of public accountancy in order to practice in another field of public accountancy. A certified public accountant who does not hold any certificate of special competence may, alone or in association with any other certified public accountant or firm of certified public accountants, practice in any field or all fields of public accountancy as authorized by law.

4. All requirements for and all benefits to be derived from certification are individual and may not be fulfilled by or attributed to any public accounting firm of which the certified public accountant holding that certification is a member or to any business entity of which the certified public accountant holding that certification is an employee.

(5) **TERM OF CERTIFICATE.**—A certificate of special competence may not be issued or renewed for a period longer than 2 years, and the expiration date of each certificate shall appear on its face. Recertification shall be on a biennial basis.

(6) **MINIMUM STANDARDS FOR CERTIFICATION.**—Each applicant for a certificate of special competence under this section must:

(a) Be a certified public accountant holding an active license.

(b) Have a minimum of 5 years of actual practice, after licensure as a certified public accountant in any state, of public accountancy or employment in a capacity that requires accounting skills on a regular basis and must have been active during that period on a full-time basis.

(c) Demonstrate, to the board's satisfaction, substantial involvement in the specialized field of public accountancy for which certification is sought for such reasonable period of time immediately preceding certification as may be determined by the board, but not less than 350 hours per year in 3 of the previous 5 years. Those hours may include work in public accountancy, employment in industry, government, or education, and other work, billable or not, associated with the performance of identifiable activities relating to client or employer responsibilities, including specific research, the drafting of an opinion, the writing of technical publications, and teaching. Hours spent in the performance of routine professional reading do not count as hours that meet this requirement.

(d) Upon application, pass a written examination, applied uniformly to all applicants, to demonstrate sufficient knowledge and experience in the specialized field of public accountancy for which certification is sought. That examination shall be developed and sponsored by a nationally recognized organization approved by the board. Only one such examination shall be recognized for each specialized field of public accountancy. The board may, upon appropriate petition, review its approval of the sponsoring organization and transfer the approval for future testing to a new test sponsor. However, this transfer does not require the retesting of any individual holding an active certificate based on having passed the previous examination in that specialized field of public accountancy.

(e) Pay any fee required by the board.

(f) Present to the board sufficient evidence of the maintenance of quality practice standards, which shall consist of quality control and other policies and procedures deemed necessary for the level of expertise required to practice in that specialized field of public accountancy.

(7) **MINIMUM STANDARDS FOR RECERTIFICATION.**—Each applicant for recertification of a certificate of special competence under this section must:

(a) Maintain an active license as a certified public accountant.

(b) Demonstrate, to the board's satisfaction, substantial involvement in the specialized field of public accountancy for which certification was granted, during the period of certification, which shall be evidenced by at least 350 hours for each of the 2 years preceding recertification. If the certificateholder fails to meet the minimum number of hours required in any year, the board may allow a partial waiver based upon circumstances beyond the control of the certificateholder.

(c) Demonstrate, to the board's satisfaction, such continuing education in the specialized field of public accountancy for which certification was granted, during the period of certification, as the board deems advisable. Initially, continuing education shall be evidenced by 48 hours of approved programs in the specialized field of public accountancy for the 2-year period preceding recertification. These hours shall be in educational programs that are recognized by the board as suitable for recertification in that specialized field of public accountancy and must, in general, consist of courses at an advanced level. Each hour of continuing education may be used to meet the requirement of only one specialized field of public accountancy. However, hours of continuing education used to meet the requirements of a specialized field of public accountancy may also be used to meet the basic continuing education requirements of this chapter. The board may prescribe additional hours of continuing education for failure to complete the hours required for recertification under this paragraph.

(d) Pay any fee prescribed by the board.

(e) Have held an unexpired certificate of special competence within the 2 years immediately preceding the time of application for recertification. If the applicant fails to meet the requirements for recertification, the



applicant may only be recertified by retaking the examination required of new applicants.

(f) Demonstrate, to the board's satisfaction, maintenance of quality practice standards in the 2 years preceding recertification. These standards shall be established by the board and must be sufficient to ensure the level of expertise required to practice in that specialized field of public accountancy.

(8) DISCIPLINE.—

(a) The board may revoke a certificate of special competence if certification in that specialized field of public accountancy is terminated or if the board finds that:

1. The certificateholder has violated any provision of this chapter or chapter 455 or any rule of the board;
2. The certificateholder's license to practice as a certified public accountant is no longer active;
3. The certificate was issued contrary to any provision of this section or rule adopted pursuant thereto;
4. The certificate was issued to a certified public accountant who was not eligible to receive the certificate or who made a false representation or an intentional misstatement of material fact to the board;
5. The certificateholder has failed to abide by the provisions of this section and all rules promulgated pursuant thereto;
6. The certificateholder has failed to apply for recertification in that specialized field of public accountancy;
7. The certificateholder has failed to pay any fees prescribed by the board; or
8. The certificateholder no longer meets the qualifications required by this section or the rules promulgated pursuant thereto.

(b) Upon revocation of a certificate of special competence by the board, the certificateholder must immediately return that certificate to the board.

(9) RESPONSIBILITIES OF CERTIFICATEHOLDERS.

(a) As a part of the application for participation in the certification program established under this section, each applicant must agree to abide by the provisions of this section and all rules adopted pursuant thereto, as they may from time to time be amended.

(b) A certified public accountant or group of certified public accountants may not have any vested rights as a result of participation in the certification program established under this section.

(c)1. A person holding an active certificate of special competence under this section may not inform the public of that certification in any way which states or implies that any firm employing that person holds a designation of special competence.

2. Each notice of certification under this section must contain the designation "Board Certified in (specialty), Board of Accountancy, State of Florida" in direct association with and accompanying the certificateholder's name.

3. Any statement or other notice of certification under this section other than as authorized by this paragraph is prohibited unless otherwise authorized by rule of the board.

(10) FEES.—Pursuant to ss. 215.37 and 455.219, the fees established by the board for certification and

recertification under this section shall be reasonable and in an amount sufficient to defray the expense of administering this program and may be adjusted from time to time as necessary to accomplish this purpose.

(11) SPECIALIZATION ADVISORY COMMITTEE.—

(a) The board shall establish a Specialization Advisory Committee to advise and assist it in carrying out its responsibilities under this section. The committee shall operate in cooperation with and under the general policy guidance of the board.

(b)1. The committee shall consist of nine members appointed by the board, one of whom must be a member of the board. Eight members must be certified public accountants and the ninth member may be, but does not have to be, a certified public accountant. However, the initial members appointed by the board must all be certified public accountants; and, after the initial issuance of certificates under the program, each member appointed to the committee other than the member from the board must be a certificateholder. Collectively, the members shall be representative of the public accounting profession in the state and, following the initial issuance of certificates under this section, representative of the specialized fields of public accountancy for which certificates are issued under this section.

2. The term of office of a member of the committee is 3 years, commencing on January 1 of the year of appointment and terminating on December 31 of the third year or until a successor is appointed. A member of the committee may not serve more than two full terms.

3. A vacancy in office shall be filled in the same manner as the original appointment.

(12) RULEMAKING AUTHORITY.—The board may adopt rules, as necessary, to carry out the provisions of this section.

**History.**—s. 1, ch. 94-151.

**473.315 Independence, technical standards.—**

(1) A certified public accountant shall not express an opinion on the financial statements of an enterprise unless he and his firm are independent with respect to such enterprise.

(2) A certified public accountant shall not undertake any engagement in the practice of public accounting which he or his firm cannot reasonably expect to complete with professional competence.

(3) The board shall adopt rules establishing the standards of practice of public accounting, including, but not limited to, independence, competence, and technical standards.

**History.**—ss. 14, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 4, ch. 91-429.

**473.316 Communications between the accountant and client privileged.—**

(1) For purposes of this section:

(a) An "accountant" is a certified public accountant.

(b) A "client" is any person, public officer, corporation, association, or other organization or entity, either public or private, who consults an accountant with the purpose of obtaining accounting services.

(c) A communication between an accountant and his client is "confidential" if it is not intended to be disclosed to third persons other than:

1. Those to whom disclosure is in furtherance of the rendition of accounting services to the client.

2. Those reasonably necessary for the transmission of the communication.

(d) A "quality review" is a study, appraisal, or review of one or more aspects of the professional work of a licensee in the practice of public accountancy which is conducted by a professional organization for the purpose of evaluating quality assurance required by professional standards, including a quality assurance or peer review.

(e) A "review committee" is any person or persons who are not owners or employees of a licensee that is the subject of a quality review and who carry out, administer, or oversee a quality review.

(2) A client has a privilege to refuse to disclose, and to prevent any other person from disclosing, the contents of confidential communications with an accountant when such other person learned of the communications because they were made in the rendition of accounting services to the client. This privilege includes other confidential information obtained by the accountant from the client for the purpose of rendering accounting advice.

(3) The privilege may be claimed by:

(a) The client.

(b) A guardian or conservator of the client.

(c) The personal representative of a deceased client.

(d) A successor, assignee, trustee in dissolution, or any similar representative of an organization, corporation, or association or other entity, either public or private, whether or not in existence.

(e) The accountant, but only on behalf of the client. The accountant's authority to claim the privilege is presumed in the absence of contrary evidence.

(4) There is no accountant-client privilege under this section when:

(a) The services of the accountant were sought or obtained to enable or aid anyone to commit or plan to commit what the client knew or should have known was a crime or fraud.

(b) A communication is relevant to an issue of breach of duty by the accountant to his client or by the client to his accountant.

(c) A communication is relevant to a matter of common interest between two or more clients, if the communication was made by any of them to an accountant retained or consulted in common when offered in a civil action between the clients.

(5) Communications are not privileged from disclosure in any disciplinary investigation or proceeding conducted pursuant to this act by the department or before the board or in any judicial review of such a proceeding. In any such proceeding, a certified public accountant or public accountant, without the consent of his client, may testify with respect to any communication between him and his client or be compelled, pursuant to a subpoena of the department or the board, to testify or produce records, books, or papers. Such a communication disclosed to the board and records of the board relating to the communication shall for all other purposes and proceedings be a privileged communication in all of the courts of this state.

(6) The proceedings, records, and workpapers of a review committee are privileged and are not subject to discovery, subpoena, or other means of legal process or to introduction into evidence in a civil action or arbitration, administrative proceeding, or state accountancy board proceeding. A member of a review committee or person who was involved in a quality review may not testify in a civil action or arbitration, administrative proceeding, or state accountancy board proceeding as to any matter produced or disclosed during the quality review or as to any findings, recommendations, evaluations, opinions, or other actions of the review committee or any members thereof. Public records and materials prepared for a particular engagement are not privileged merely because they were presented during the quality review. This privilege does not apply to disputes between a review committee and a person subject to a quality review.

**History.**—ss. 15, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 1, ch. 91-63; s. 26, ch. 91-140; s. 4, ch. 91-429.

**473.318 Ownership of working papers.**—All statements, records, schedules, working papers, and memoranda made by a licensee or his employee incident to, or in the course of, professional services to a client, except the reports submitted by the licensee to the client and except for records which are part of the client's records, shall be and remain the property of the licensee in the absence of an express agreement between the licensee and the client to the contrary.

**History.**—ss. 17, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 4, ch. 91-429.

**473.319 Contingent fees.**—Public accounting services shall not be offered or rendered for a fee contingent upon the findings or results of such service. This section does not apply to services involving federal, state, or other taxes in which the findings are those of the tax authorities and not those of the licensee. Fees to be fixed by courts or other public authorities, which are of an indeterminate amount at the time a public accounting service is undertaken, shall not be regarded as contingent fees for purposes of this section.

**History.**—ss. 18, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 4, ch. 91-429.

**473.3205 Commissions.**—A licensee who is engaged in the practice of public accounting shall not pay a commission to obtain a client, nor shall he accept compensation for the sale of products, other than the work product of the licensee, or for referral of products or services of others. However, this section shall not prohibit:

(1) Payments for the purchase of an accounting practice;

(2) Retirement payments to individuals formerly engaged in the practice of public accounting or payments to their heirs or estates; or

(3) Payment of fees to a referring licensee for public accounting services to either the successor licensee or the client in connection with an engagement.

**History.**—ss. 3, 5, ch. 89-87; s. 4, ch. 91-429.



**473.321 Fictitious names.—**

(1) A certified public accountant, partnership, corporation, or limited liability company may not practice public accountancy in this state under any name that is misleading or deceptive as to the legal form; as to persons who are partners, officers, shareholders, or members of the firm; or as to any other matter. However, a firm name may include the names of retired or deceased persons who were active partners, shareholders, or members of the firm.

(2) This section does not prohibit any licensee from practicing public accounting under a fictitious name that is not misleading or deceptive as to the persons who are partners, officers, shareholders, or members.

(3) The board shall adopt rules for interpretation of this section.

**History.**—ss. 19, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 4, ch. 91-429; s. 18, ch. 93-110; s. 3, ch. 93-284.

**473.322 Prohibitions; penalties.—**

(1) A person may not knowingly:

(a) Practice public accounting unless the person is a certified public accountant or a public accountant;

(b) Assume or use the titles or designations "certified public accountant" or "public accountant" or the abbreviation "C.P.A." or any other title, designation, words, letters, abbreviations, sign, card, or device tending to indicate that the person holds an active license under this chapter, unless the person holds an active license under this chapter;

(c) Attest as an expert in accountancy to the reliability or fairness of presentation of financial information or utilize any form of disclaimer of opinion that is intended or conventionally understood to convey an assurance of reliability as to matters not specifically disclaimed unless such person holds an active license under this chapter. This paragraph does not prohibit the performance by persons other than certified public accountants of other services involving the use of accounting skills, including the preparation of tax returns and the preparation of financial statements without expression of opinion thereon;

(d) Present as his own the license of another;

(e) Give false or forged evidence to the board or a member thereof;

(f) Use or attempt to use a public accounting license that has been suspended, revoked, or placed on inactive or delinquent status;

(g) Employ unlicensed persons to practice public accounting;

(h) Conceal information relative to violations of this chapter; or

(i) Assume or use the title "board certified," unless such person holds a certificate of special competence issued by the board pursuant to s. 473.3145.

(2) Any person who violates any provision of this section commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

**History.**—ss. 20, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 10, 11, ch. 85-9; s. 104, ch. 91-224; s. 4, ch. 91-429; s. 222, ch. 94-119; s. 2, ch. 94-151.

**473.323 Disciplinary proceedings.—**

(1) The following acts constitute grounds for which the disciplinary actions in subsection (3) may be taken:

(a) Violation of any provision of s. 455.227(1), 's. 473.317, or any other provision of this chapter.

(b) Attempting to procure a license to practice public accounting by bribery or fraudulent misrepresentations.

(c) Having a license to practice public accounting revoked, suspended, or otherwise acted against, including the denial of licensure, by the licensing authority of another state, territory, or country.

(d) Being convicted or found guilty of, or entering a plea of nolo contendere to, regardless of adjudication, a crime in any jurisdiction which directly relates to the practice of public accounting or the ability to practice public accounting.

(e) Making or filing a report or record that the licensee knows to be false, willfully failing to file a report or record required by state or federal law, willfully impeding or obstructing such filing, or inducing another person to impede or obstruct such filing. Such reports or records include only those that are signed in the capacity of a certified public accountant.

(f) Advertising goods or services in a manner that is fraudulent, false, deceptive, or misleading in form or content.

(g) Committing an act of fraud or deceit, or of negligence, incompetency, or misconduct, in the practice of public accounting.

(h) Violation of any rule adopted pursuant to this chapter or chapter 455.

(i) Practicing on a revoked, suspended, inactive, or delinquent license.

(j) Suspension or revocation of the right to practice before any state or federal agency.

(k) Performance of any fraudulent act while holding a license to practice public accounting.

(l) Failing to maintain a good moral character as provided in s. 473.306.

(2) The board shall specify, by rule, what acts or omissions constitute a violation of subsection (1).

(3) When the board finds any licensee guilty of any of the grounds set forth in subsection (1), it may enter an order imposing one or more of the following penalties:

(a) Denial of an application for licensure.

(b) Revocation or suspension of a license.

(c) Imposition of an administrative fine not to exceed \$5,000 for each count or separate offense.

(d) Issuance of a reprimand.

(e) Placement of the licensee on probation for a period of time and subject to such conditions as the board may specify, including requiring the licensee to attend continuing education courses or to work under the supervision of another licensee.

(f) Restriction of the authorized scope of practice by the certified public accountant.

(g) Revocation or suspension of a certificate of special competence.

(4) The department shall reissue the license of a disciplined licensee upon certification by the board that the disciplined licensee has complied with all of the terms and conditions set forth in the final order.

**History.**—ss. 21, 25, ch. 79-202; ss. 2, 3, ch. 81-318; ss. 8, 10, 11, ch. 85-9; s. 25, ch. 91-137; s. 4, ch. 91-429; s. 224, ch. 94-119; s. 4, ch. 94-151; s. 5, ch. 95-140.

**Note.**—Repealed by s. 10, ch. 95-140.

**473.3251 Saving clause.**—All licenses issued pursuant to this chapter which are valid on the effective date of this act shall remain in full force and effect.

Henceforth, all such licenses shall be applied for and renewed in accordance with this act.

**History.**—s. 9, ch. 85-9.