



ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY

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D. Boyd Busby, CPA
Executive Director

September 18, 2019

TO: All Retired CPAs and PAs

FROM: D. Boyd Busby, CPA

SUBJECT: Amended Rules Pertaining to Retired CPAs and PAs

Per ALA. ADMIN. CODE r. 30-X-5-.01(1)(b), retired CPAs and PAs are not allowed to practice public accountancy and must place "retired" adjacent to their CPA or PA title on all publications, business cards, letterhead, LinkedIn site, resumes, etc. Rules defining the retired status and the practice of public accountancy were amended and effective on September 13, 2018. The practice of public accountancy includes performing audits, review compilations but also includes, but is not limited to, bookkeeping, accounting, management advisory services, financial advisory or consulting services, or tax preparation services.

Please review ALA. ADMIN. CODE r. 30-X-5-.01(1)(b), for compliance:

The requirement does not apply to individuals over the age of 55 who are retired from the practice of public accountancy. For purposes of this regulation, retirement is defined as not performing any of the duties of Public Accountancy, although nothing in this section shall preclude a retired CPA or PA, at least 55 years of age, from providing the following volunteer, uncompensated services: tax preparation services, participating in a government-sponsored business mentoring program, serving on the board of directors for a nonprofit or governmental organization, or serving on a government appointed advisory body. In addition, retired CPAs and PAs, at least 55 years of age, should place the word "retired" adjacent to their CPA title or PA title on any business card, letterhead or any other document or device, with the exception of their CPA certificate or PA registration, on which their CPA or PA title appears. Such individuals shall notify the Board upon retirement. Retirement from the practice of public accountancy after reaching the age of 55 shall be deemed to be reasonable cause for the failure of a certificate holder to report continuing professional education and renew his annual permit to practice under Code of Ala. 1975, §34-1-

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11, so as not to constitute grounds for revocation or suspension of the individual's certificate under Code of Ala. 1975, §34-1-12. If the retiree wishes to reenter the practice of public accountancy, he shall make application to the Board for an annual permit to practice. The Board, in its discretion, may require the retiree to obtain continuing professional education hours in excess of 40 so as to ensure the retiree is competent to practice.

Please review ALA. ADMIN. CODE r. 30-X-1-.01(f) for compliance:

(f) Practice of Public Accounting. The practice of Public Accounting or the practice of Public Accountancy is:

1. Performing services as one skilled in the knowledge and practice of Public Accounting including, but not limited to, kinds of services involving the use of accounting or auditing skills, including issuance of reports on financial statements or of one or more kinds of management advisory, financial advisory or consulting services, or the preparation of tax returns or the furnishing of advice on tax matters; or

2. Providing Attest services as defined by the following services:

(i) Any audit or other engagement to be performed in accordance with the Statements on Auditing Standards (SAS).

(ii) Any review of a financial statement to be performed in accordance with the Statements on Standards for Accounting and Review Services (SSARS)

(iii) Any engagement to be performed in accordance with the Statements on Standards for Attestation Engagements (SSAE).

(iv) Any engagement to be performed in accordance with the auditing standards of the Public Company Accounting Oversight Board (PCAOB).

(v) The statements on standards specified in this

definition shall be adopted by reference by the board pursuant to rule making and shall be those developed for general application by recognized national accountancy organizations such as the AICPA and PCAOB.; or

3. Providing a service of any compilation engagement performed in accordance with Statements on Standards for Accounting and Review Services (SSARS); or

4. Providing a service of any preparation of financial statements engagement performed in accordance with Statements on Standards for Accounting and Review Services (SSARS).