

# FIRM CLOSURE QUICK GUIDE

ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY  
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## PRACTICE OF PUBLIC ACCOUNTANCY:

The practice of public accountancy is defined as providing any attest services, compilations, providing services as one skilled in the knowledge and practice of public accountancy, but not limited to, kinds of services involving the use of accounting or auditing skills, including the issuance of reports on financial statements or one or more kinds of management advisory services, or the preparation of tax returns or the furnishing of advice on tax matters. [Ala. Admin. Code r. 30-X-1-.01\(f\)\(1\)](#).

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## USE THIS GUIDE IF YOU ARE:

- Closing your firm.
  - Merging with another firm.
  - Selling your firm to another firm.
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## LIST OF ITEMS TO REVIEW WHEN CLOSING, MERGING, OR SELLING FIRM:

- Did you review the Board Rule on transfer of client files and follow the guidance?
  - For the sale or merger of firm please read Alabama Administrative Code [30-X-6-.04\(3\)](#).
  - For the closure of firm please read Alabama Administrative Code [30-X-6-.04\(4\)](#).
- What is the exact date of the closure, merger, or sale of the firm?
- If selling, was this a sale of the firm or a sale of the assets?
- Will you and/or your current partner(s) work for the new firm?
- Will you and/or your current partner(s) be owners of the new firm?
- Is the firm enrolled in Peer Review?

## STEPS TO TAKE:

- Complete the [Firm Closure Form](#).
  - Complete the [Change of Information](#) form.
  - The acquiring firm's resident manager will need to notify the Board of the purchase within 30 days of the close of sale.
  - Notify the peer review administering entity of the closure, merger, or sale of the firm. i.e. Partners in Peer Review through the Alabama Society of CPAs.
  - If you have any questions, please email Teresa Taylor at [teresa.taylor@asbpa.alabama.gov](mailto:teresa.taylor@asbpa.alabama.gov).
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**DISCLAIMER:** THIS SUMMARY IS DESIGNED AS A QUICK GUIDE AND CANNOT BE RELIED UPON IN ALL SITUATIONS. For a complete understanding of all statutes pertaining to Firm Ownership, see the State of Alabama Code of 1975 and the Alabama State Board of Public Accountancy Administrative Rules.