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INDEPENDENT REGULATORY  
REVIEW COMMISSION

April 18, 2007

William J. Park, CPA  
Chair, State Board of Accountancy  
P.O. Box 2649  
Harrisburg, PA 17105-2649

**Re: General Revision Regulations #16A-559**

Dear Chairman Park:

On behalf of the 19,000 members of the Pennsylvania Institute of Certified Public Accountants (PICPA), we offer the following comments to the State Board of Accountancy Final Rulemaking related to General Revisions Regulations 16A-559.

**§ 11.1 (Definitions)**

Overall PICPA is in agreement with the proposed changes to this section. However, the revised definition of "Inactive Status" requires the certificate holder to return his license. We find no statutory requirement in either sections 8.2(a.1) or 9.2(d) for this requirement. In most cases, the request to go to inactive status is made at the end of a licensing period. This seems to be an unnecessary and frivolous requirement on licensees with no apparent basis or usefulness.

**§ 11.5 (Temporary practice in the Commonwealth)**

PICPA sees no justification for excluding CPAs from the District of Columbia or other "non-state" jurisdictions from requesting temporary practice based on CPA Law. Pennsylvania law generally defines other states to include the other 49 states, the District of Columbia, and U.S. territories. Furthermore, this is strongly suggestive of a U.S. Commerce Clause infraction.

**§ 11.9 (Use of the designation "certified public accountant" and the abbreviation "CPA" solely as mark of achievement by individual without current license.)**

PICPA questions why this section only refers to a CPA's use of the designation and not a PA's use when the PA does not maintain a license to practice public accounting? Also, it appears CPAs in industry, government, and education would be required to use the word "inactive" on business cards. This is a new requirement. While we appreciate the Board's

April 18, 2007

Page 2

concern that some in the public might be misled, we are not aware of any history or trend in the past 20 years since this provision has been a part of the CPA Law of consumer complaints in this regard, particularly by a business card from someone employed at a college, university or industry.

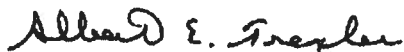
Licenses also would have to bear the cost of printing new business cards and stationary.

**§ 11.36 (Form of Business name; Disclosure.)**

This new disclosure requirement for a sole proprietor to notify, in writing, existing and new clients that he or she is a sole proprietor if they use "and company" appears overreaching. Again, this provision has been a part of the CPA Law for the past 10 years and we are not aware of any consumer complaints stemming from this provision. A licensee who chooses to operate as a sole proprietor but employs other licensees or qualified professionals does not need the added burden of additional administrative disclosures that have little value in protecting consumers.

Thank you for the opportunity to comment on this final rulemaking. Please do not hesitate to contact me if PICPA can be of further assistance to the Board on this or other matters.

Sincerely,



Albert E. Trexler, CAE  
President and CEO

cc: Sen. Robert Tomlinson  
Sen. Lisa Boscola  
Rep. Mike Sturla  
Rep. Bill Adolph  
John Jewett, Regulatory Analyst, IRRC