



New Hampshire Board of Accountancy

Changes to RSA 309-B: as reflected in House Bill 256

Legislation effective July 1, 2009 changes many aspects of practicing as a CPA in the State of New Hampshire, HB 256 changes the requirements to become a CPA in the State, effective July 1, 2014, as well as creates a "practice privilege" for CPA's and CPA firms licensed in other substantially equivalent states. This change called "practice privilege allows certain CPAs and certain CPA firms to practice in New Hampshire without obtaining licensure in New Hampshire, (RSA 309-B: 6). CPA's and CPA firms **that qualify** for "practice privilege" are not required to provide notice or to pay a fee prior to practicing in New Hampshire in person or by mail, telephone or other electronic means if providing certain services. Other services provided will require a firm license to be obtained. The legislation also makes changes to the education and experience requirements as well as renewal requirements. Please read this entire message.

There is an exception to "practice privileges". If an out-of-state CPA that qualifies for "practice privileges" intends to prepare audited financial statements or other engagements to be performed in accordance with the AICPA Statements on Auditing Standards, or any examination of prospective financial statements to be performed in accordance with the AICPA Statements on Standards for Attestation Engagements or any engagement to be performed in accordance with the Public Company Accounting Oversight Board's Auditing Standards (PCAOB) they must do so ONLY through a firm licensed in New Hampshire. See RSA 309-B:8.

Individual Requirements (you must be able to answer yes to all questions below to qualify for "practice privileges")

I hold a current license as a certified public accountant issued by a US Jurisdiction other than New Hampshire; and

My principal place of business is in a US Jurisdiction other than New Hampshire; and

The National Association of State Boards of Accountancy or the Board has verified that the state **that is my principal place of business** [where I am licensed] has examination, education and experience requirements for certification/licensure that are substantially equivalent to the Uniform Accountancy Act version 2007. You can verify if your state is a substantially equivalent state by going to www.nasba.org and click on Mobility; **or**

I have obtained from NASBA's National Appraisal Service (www.nasba.org) or from the Board, verification that my education, examination, and experience qualifications are substantially equivalent or exceed the requirements for certification/licensure by the Uniform Accountancy Act Version 2007.

If you meet all the requirement in the ***Individual Requirements*** (above) you may practice public accountancy in New Hampshire without notifying the Board, but you must also be aware of the ***following conditions of your privilege to practice in New Hampshire.***

Individual Practice Privilege Requirement:

1) an individual licensee of another state exercising practice privileges in New Hampshire under RSA 309-B:6 and the firm which employs that licensee hereby simultaneously consents, as a condition of the grant of this practice privilege;

a) to the personal and subject matter jurisdiction and disciplinary authority of the New Hampshire Board of Accountancy; and

b) that in the event the license from the state of the individual's principal place of business is no longer valid, the individual will cease offering or rendering professional services in this state individually and on behalf of a firm; and

c) to the appointment of the out-of-state board of accountancy which issued their license as their agent upon whom process may be served in any action or proceeding by this board against the licensee; and

(d) If you perform any of the following activities for an entity or business with its "home office" (RSA 309-B: 3 VII-a), in New Hampshire, you must practice through a firm (RSA 309-B: 8) that has been issued a license by the Board.

i) any audit or other engagement to be performed in accordance with the American Institute of Certified Public Accountant's Statements on Auditing Standards: or

ii) any examination of prospective financial statements to be performed in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements; or

iii) any engagement to be performed in accordance with the Public Company Accounting Oversight Board's Auditing Standards.

Firms That Must Register

If your firm answers yes to any of the following, you must obtain a firm permit in accordance with RSA 309-B:8.

- 1) The firm has an office in this state performing attest services as defined in RSA 309-B: XIII-a.
- 2) The firm's has an office in this state that uses the title "CPA" or "CPA firm".
- 3) The firm does not have an office in this state but performs attest services including:

(A) The firm performs for an entity or business with its home office in New Hampshire, any audit or other engagement to be performed in accordance with the American Institute of Certified Public Accountant's Statements on Auditing Standards; and/or

(B) The firm performs for an entity or business with its home office in New Hampshire, any examination of prospective financial statements to be performed in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements; and/or

(C) The firm performs for an entity or business with its home office in New Hampshire, any engagement to be performed in accordance with the Public Company Accounting Oversight Board's Auditing Standards.

If your firm does not have an office in this state but performs services described in 3),(A),(B),(C) above:

- 1) The firm must be enrolled in a peer review program in accordance with RSA 309-B: 8 or enrolled in a peer review program in accordance with AICPA Standards, and
- 2) At least a simple majority of the ownership in the firm is in accordance with RSA 309-B: 8 III (a), and
- 3) The firm shall designate a licensee who meets the requirements of RSA 309-B:6, who is responsible for the proper registration of the firm, and
- 4) The firm must designate a licensee who meets the requirements of RSA 309-B:6 who is responsible for supervising or who signs or authorizes someone to sign the accountants report in accordance with RSA 309-B: 8 III (c) and (d).

CPA's Certified In New Hampshire Practicing in a State Other than the State of New Hampshire.

RSA 309-B: 6, II, states that a licensee of this state offering or rendering services or using this state's certified public accountant designation in another state shall be subject to disciplinary action in this state for an act committed in another state for which the licensee would be subject to discipline in the other state. Notwithstanding RSA 309-B: 11, I, the board shall be required to investigate any complaint mad by the board of accountancy of another state.

As a licensee of New Hampshire wishing to practice in another state you will need to acquire confirmation that the state you wish to practice in is a substantially equivalent state and has mobility practice privileges to ascertain this you may go to www.nasba.org, click on the word Mobility and click on the state you wish to practice in and there will be information on that particular states requirements.

Additional Regulatory Changes in HB 256

Education and Experience Requirements

- 1) After January 1, 2005 and until June 30, 2014 a candidate for CPA examination or certification must obtain a minimum of 120 semester hours of college education from an accredited university or college, of which 24 must be in business with a minimum of 12 hours in accounting.
- 2) On or after July 1, 2014, a candidate for the CPA Exam must have met 1) above, however, to be certified as a CPA in the State of New Hampshire the individual must obtain 150 semester hours of college education, which includes a baccalaureate or higher degree and the education must include 30 semester hours of college education in accounting courses and 24 semester hours of college education in business courses, all from an accredited university or college.
- 3) Until June 30, 2014 a candidate with a 4-year college degree must have 2 years of experience, and one year with a master's degree in accounting, taxation, finance, or business administration.
- 4) On or after July 1, 2014, a candidate for a certificate as a CPA in the State of New Hampshire will need one full year of experience.

Renewal of License to Practice

1) A licensee shall have 60 days after June 30th to renew the license to practice in the year it expires. This allows the licensee time to submit the renewal; however, all CPE must be earned by June 30th of the year it expires. If a licensee does not renew in that time period of 60 days, that licensee will be required to submit an application to return to active practice, which shall be required to return to active status.

The information contained above is general in nature and is informational only. Each and every applicant for either exam, a certificate, for practice privileges, for firm registration or for any license registration or renewal, must meet in full all the laws and rules of the State of New Hampshire. This information is not intended to be all inclusive and you are required to meet all the requirements of the Board of Accountancy.