

APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control: 30
Department or Agency: Alabama State Board of Public Accountancy
Rule No.: 30-X-1-.01
Rule Title: Definitions
Intended Action: Amend

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved? No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule? NA

Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? No

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer

D. Boyd Busby, CPA
Donald Boyd Busby

Date

Monday, July 15, 2024

REC'D & FILED
JUL 15, 2024
LEGISLATIVE SVC AGENCY

ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama State Board of Public Accountancy

RULE NO. & TITLE: 30-X-1-.01 Definitions

INTENDED ACTION: Amend

SUBSTANCE OF PROPOSED ACTION:

Rule will be amended to remove language as part of the Governor's request for Rule reduction.

TIME, PLACE AND MANNER OF PRESENTING VIEWS:

Interested persons may present their views in writing to the Executive Director of the Alabama State Board of Public Accountancy at any time until and including September 17, 2024 following the 31st day of July 2024, or, if requested in advance, by personally appearing at the Alabama State Board of Public Accountancy Board Meeting to be held at the Broadway Event Space & Theater in Horton-Hardgrave Hall at Auburn University, 425 West Magnolia Ave, Auburn University, Alabama, 36849, at 10:00 a.m., September 17, 2024.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, September 17, 2024

CONTACT PERSON AT AGENCY:

D. Boyd Busby, CPA

D. Boyd Busby, CPA

Donald Boyd Busby

(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

30-X-1-.01 **Definitions.**

For the purposes of these regulations the following definitions shall apply:

(a) Board. The term Board means the Alabama State Board of Public Accountancy, a public authority created by Section 2 of the Public Accountancy Act of 1973.

(b) State. The term state includes any state, territory, or insular possession of the United States or the District of Columbia. The term State means the State of Alabama.

(c) Certified Public Accountant. A Certified Public Accountant or CPA is a person holding a Certified Public Accountant certificate issued under the laws of the State of Alabama or the accountancy act of another state.

(d) Public Accountant. A Public Accountant is a person holding a permit to practice under the Public Accountancy Act of 1973.

(e) Opinions on Financial Statements. Opinions on financial statements are any reports based on examinations in accordance with generally accepted auditing standards as to whether the presentation of information used for guidance in financial transactions or for accounting for or assessing the status or performance of commercial and noncommercial enterprises, whether public, private, or governmental, is in conformity with generally accepted principles or other comprehensive basis of accounting.

(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).

(g) Report. A report is a brief description based on the accountant's professional judgement conveying the nature and extent of services performed and the degree of responsibility assumed for the client's representations contained in the related financial statements.

(h) Good Moral Character. Prima facie evidence of a lack of good moral character includes, but is not limited to: any deferred prosecution agreement involving an admission of wrongdoing, or any criminal conviction, including conviction following a guilty plea or plea nolo contendere, for any felony or any crime, an essential element of which is fraud, dishonesty, deceit, or any other crime which evidences an unfitness of the applicant to practice public accountancy in a competent manner consistent with public protection.

(i) Masculine terms shall also include feminine.

(j) Singular terms shall also include the plural.

Author: Alabama Board of Public Accountancy

Statutory Authority: Code of Ala. 1975, §34-1-3.

History: Filed September 3, 1982. **Amended:** Filed July 30, 2018; effective September 13, 2018. **Amended:** Published ; effective .