

ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY
ADMINISTRATIVE CODE

CHAPTER 30-X-4

EXAMINATIONS, QUALIFICATIONS OF CANDIDATES, APPLICATIONS, PASSING
GRADES, CONDITIONED SUBJECTS, TRANSFER OF CREDITS, ISSUANCE OF
CERTIFICATES

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30-X-4-.01 Examinations.

(1) Eligible candidates shall be notified of the time and place of the examination or shall independently contact the Board or a test center operator identified by the Board to schedule the time and place for the examination at an approved test site. Scheduling reexaminations must be made in accordance with Rule 30-X-4-.04 below.

(2) The examination required by Section 34-1-4 of the Code of Ala. 1975, shall test the knowledge and skills required for performance as a newly licensed Certified Public Accountant. The examination shall include the subject areas of accounting and auditing, and any other related subjects the Board deems necessary, including, but not limited to, business law and taxation and related knowledge and skills as the Board may require.

(3) Candidates are required to complete their answers to the examination questions within the prescribed hours.

(4) In examining candidates for the CPA certificate the Board will use the Uniform Certified Public Accountant Examination prepared by the American Institute of Certified Public Accountants, and will also make use of the Advisory Grading Service provided by the American Institute of CPAs.

(5) Candidates who have successfully passed the Uniform Certified Public Accountant Examination will be required to complete the American Institute of Certified Public Accountant's continuing professional educational course "Professional Ethics: The AICPA's Comprehensive Course." The examination requirements for the CPA certificate will not be met until a passing grade for the ethics course has been certified to the Board by the AICPA; provided, however, that this section shall not apply to candidates who pass the Business Law and Professional Responsibility part of the examination on or after January 1, 1994, or the Regulation part of the examination on or after January 1, 2004.

Author: Alabama Board of Public Accountancy

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

History: Filed September 3, 1982. **Amended:** Filed May 20, 1993.

Amended: Filed July 21, 1993; effective August 25, 1993.

Amended: Filed May 14, 1996; effective June 18, 1996. **Amended:**

Filed October 17, 2003; effective November 21, 2003. **Amended:**

Filed November 9, 2015; effective December 14, 2015. **Amended:**

Filed November 17, 2016; effective January 1, 2017.

30-X-4-.02 Qualifications Of Candidates For Certified Public Accountant Examination. To be eligible to take the Certified Public Accountant examination or reexamination the applicant must possess the following qualifications:

(a) The applicant must be a citizen of the United States or, if not a citizen of the United States, a person who is legally present in the United States with appropriate documentation from the federal government who is 19 years of age or older, and who is of good moral character.

(b) Persons who first sit for the uniform CPA examination on or before December 31, 1994, must have earned a college degree from a four-year college or university accredited by a regional accreditation board such as the Southern Association of Colleges and Universities. A graduate without a major in accounting, or its equivalent, as approved by the Board, must complete two or more years in the regular and continuous practice of public accountancy after receiving the college

degree, before he will become eligible to sit for the examination.

(c) Persons who first sit for the uniform CPA examination between January 1, 1995 and December 31, 2015, must have completed a total of 150 semester hours or 225 quarter hours of postsecondary education, including a baccalaureate degree at a college or university accredited by a regional accreditation board such as the Southern Association of Colleges and Universities, with a concentration in accounting or the substantial equivalent as determined by the board. The Board may determine that a candidate has a concentration in accounting or its substantial equivalent upon receiving evidence that the candidate has satisfied any one of the following:

1. The candidate shall have completed

(i) at least 33 semester hours or equivalent quarter hours in accounting (excluding introductory courses) at the upper division undergraduate and/or graduate level including minimum requirements in each of the following subject areas:

(I) Financial Accounting - 9 semester hours

(II) Auditing - 6 semester hours

(III) Taxation - 6 semester hours

(IV) Management Accounting - 3 semester hours

(V) Governmental and Not-For-Profit Accounting - 3 semester hours

(VI) Accounting Electives - 6 semester hours; and

(ii) at least three (3) semester or equivalent quarter hours in business law, concentrating primarily on the Uniform Commercial Code; and

(iii) at least 27 semester or equivalent quarter hours in business courses (other than accounting courses) at the undergraduate or graduate level from among the following subject areas: economics; legal and social environment of business; business law (in addition to the three hours required above); marketing; finance; organization, group, and individual behavior; quantitative applications in business; communication skills, and business ethics; or

2. The candidate shall have been awarded a graduate degree in accounting from a program that, as of the date of

granting said degree, is accredited in accounting by the American Assembly of Collegiate Schools of Business (AACSB), or comparable accrediting organization recognized by the Board; or

3. The candidate shall have been awarded a graduate degree from a program that, as of the date of granting said degree, is accredited in business by the AACSB, or comparable accrediting organization recognized by the Board, and completed a course of instruction that includes all of the requirements specified in 1. above.

(d) Persons who first sit for the uniform CPA exam on or after January 1, 2016, must have completed a total of 120 semester hours or 180 quarter hours of postsecondary education, including a baccalaureate degree at a college or university accredited by a regional accreditation board such as the Southern Association of Colleges and Universities, with a concentration in accounting or the substantial equivalent as determined by the board. The Board may determine that a candidate has a concentration in accounting or its substantial equivalent upon receiving evidence that the candidate has satisfied any one of the following:

1. The candidate shall have completed

(i) at least 24 semester hours or equivalent quarter hours in accounting (excluding introductory courses) at the upper division undergraduate and/or graduate level including minimum requirements in each of the following subject areas:

(I) Financial Accounting - 9 semester hours

(II) Auditing - 3 semester hours

(III) Taxation - 6 semester hours

(IV) Management Accounting - 3 semester hours

(V) Governmental and Not-For-Profit Accounting - 3 semester hours; and

(ii) at least three (3) semester or equivalent quarter hours in business law, concentrating primarily on the Uniform Commercial Code; and

(iii) at least 24 semester or equivalent quarter hours in business courses (other than accounting courses) at the undergraduate or graduate level from among the following subject areas: economics; legal and social environment of business; business law (in addition to the three hours required above);

marketing; finance; organization, group, and individual behavior; quantitative applications in business; communication skills, and business ethics; or

2. The candidate shall have been awarded a graduate degree in accounting from a program that, as of the date of granting said degree, is accredited in accounting by the American Assembly of Collegiate Schools of Business (AACSB), or comparable accrediting organization recognized by the Board; or

3. The candidate shall have been awarded a graduate degree from a program that, as of the date of granting said degree, is accredited in business by the AACSB, or comparable accrediting organization recognized by the Board, and completed a course of instruction that includes all of the requirements specified in 1. above.

Author: Alabama Board of Public Accountancy

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

History: Filed September 3, 1982. **Amended:** Filed January 31, 1991. **Amended:** Filed October 17, 2003; effective November 21, 2003. **Amended:** Filed November 12, 2008; effective December 17, 2008. **Amended:** Filed November 9, 2015; effective December 14, 2015. **Amended:** Filed November 17, 2016; effective January 1, 2017.

30-X-4-.03 Applications For Examination, Reexamination, And Reciprocal Certificate.

(1) Applications for Examination and Reexamination

(a) Applications to take the Certified Public Accountant Examination must be made on a form provided by the Board and filed with the Board.

(b) An application will not be considered filed until the application fee and examination fee required by these rules and all required supporting documents have been received, including proof of identity as determined by the Board and specified on the application form, official transcripts and proof that the candidate has satisfied the education requirement.

(c) A candidate who fails to appear for the examination shall forfeit all application and examination fees charged.

(d) The Board or its designee will forward notification of eligibility for the computer-based examination to

the National Association of State Boards of Accountancy's
National Candidate Database

(2) Reciprocal Certificates.

(a) The Board shall issue a certificate to a holder of a certificate, license, or permit issued by another state upon a showing that--

1. The applicant is a citizen of the United States or, if not a citizen of the United States, a person who is legally present in the United States with appropriate documentation from the federal government who is at least 19 years old; and who is of good moral character.

2. The applicant completed the CPA examination successfully. Successful completion of the CPA examination means the applicant passed the examination in accordance with the rules of the other state at the time it granted the applicant's initial CPA certificate; and

3. The applicant--

(i) meets all current requirements in this State for issuance of a certificate at the time application is made; or

(ii) at the time of the issuance of the applicant's certificate in the other state, met all such requirements then applicable in this State; or

(iii) had, within the ten years immediately preceding the application, four years of experience outside of this State as a certified public accountant, after passing the examination upon which the applicant's certificate was based; or

(iv) For purposes of reciprocity, an applicant having a valid unrevoked license to practice as a Certified Public Accountant from any state and who is in compliance with the current Uniform Accountancy Act's CPA registration requirements shall be presumed to have qualifications substantially equivalent to this State's; and

4. The applicant has had experience in the practice of public accountancy meeting Alabama's requirements; and

5. If the applicant's certificate, license, or permit was issued more than four years prior to the application for issuance of an initial certificate under this section, that the applicant has fulfilled the requirements of continuing

professional education that would have been applicable in this State.

(3) Canadian Reciprocity. A chartered professional accountant in Canada may be issued a certificate to practice public accountancy in this State provided

(a) the applicant is a citizen of the United States or, if not a citizen of the United States, a person who is legally present in the United States with appropriate documentation from the federal government; who is at least 19 years old; and who is of good moral character; and

(b) the applicant passes the International Uniform Certified Public Accountant Qualification Examination (IQEX); and

(c) if the applicant obtained licensure as a chartered professional accountant as a legacy candidate, the applicant must have previously been licensed as a chartered accountant by a Canadian province or territory

(4) The Board shall issue a certificate to a holder of another foreign designation, provided that

(a) the International Qualifications Appraisal Board determines that the standards under which the applicant was licensed to engage in the practice of public accountancy or under which the applicant secured comparable authority are substantially equivalent;

(b) the applicant passes the IQEX; and

(c) the applicant is a citizen of the United States, or, if not a citizen of the United States, a person who is legally present in the United States with appropriate documentation from the federal government; who is at least 19 years old; and who is of good moral character.

Author: Alabama Board of Public Accountancy

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

History: Filed September 3, 1982. **Amended:** Filed July 8, 1985; March 17, 1989; January 31, 1991; and May 20, 1993. **Amended:** Filed July 21, 1993; effective August 25, 1993. **Amended:** Filed March 21, 1994; effective April 25, 1994. **Amended:** Filed May 14, 1997; effective June 18, 1997. **Amended:** Filed October 17, 2003; effective November 21, 2003. **Amended:** Filed January 24, 2005; effective February 28, 2005. **Amended:** Filed November 12, 2008; effective December 17, 2008. **Amended:** Filed November 9, 2015; effective December 14, 2015. **Amended:** Filed November 17, 2016; effective January 1, 2017.

30-X-4-.04 Passing Grade, Conditioned Subjects, Reexamination, Reapplication.

- (1) The passing grade for each subject is 75.
- (2) A candidate may take the required test sections individually and in any order. Credit for any test section(s) passed shall be valid for eighteen months from the actual date the candidate took that test section, without having to attain a minimum score on any failed test section(s) and without regard to whether the candidate has taken other test sections.
 - (a) Candidates must pass all test sections of the Uniform CPA Examination within a rolling eighteen-month period, which begins on the date that the first test section(s) passed is taken.
 - (b) Candidates cannot retake a failed test section(s) in the same examination window. A testing window is equal to a calendar quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec). Candidates will be able to test no less than two (2) months out of each testing window.
 - (c) In the event all test sections of the Uniform CPA Examination are not passed within the rolling eighteen-month period, credit for any test section(s) passed outside the eighteen-month period will expire and that test section(s) must be retaken.
- (3) A candidate shall retain credit for any and all test sections of an examination passed in another state if such credit would have been given, under then applicable requirements, if the candidate had taken the examination in this State.
- (4) The Board may in particular cases extend the term of conditional credit validity notwithstanding the requirements of paragraphs (2), and (3), upon showing that the credit was lost by reason of circumstances beyond the candidate's control.
- (5) A candidate shall be deemed to have passed the Uniform CPA Examination once a candidate holds at the same time valid credit for passing each of the test sections of the examination. For purposes of this section, credit for passing a test section is valid from the actual date of the testing event for that test section, regardless of the date the candidate actually receives notice of the passing grade.

Author: Alabama Board of Public Accountancy

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

History: Filed September 3, 1982. **Amended:** Filed August 10, 1990, and May 20, 1993. **Amended:** Filed July 21, 1993; effective August 25, 1993. **Amended:** Filed October 17, 2003; effective November 21, 2003. **Amended:** Filed November 9, 2015; effective December 14, 2015. **Amended:** Filed November 17, 2016; effective January 1, 2017.

30-X-4-.05 Transfer Of Credits.

(1) A person who has passed parts of the Uniform Certified Public Accountant Examination under any state may be given credit by this Board for successfully passing those parts in accordance with Rule 30-X-4-.04 and take the remaining parts of the examination as a conditioned candidate in Alabama, provided:

(a) The passing grades of the examination parts were determined by the Advisory Grading Service of the Board of Examiners of the American Institute of Certified Public Accountants, or an equivalent professional grading service acceptable to the Board;

(b) The candidate meets the educational, citizenship, and experience requirements of the Alabama regulations; and

(c) At the time of applying to transfer the credit earned in another state the applicant is still eligible to be reexamined in that state except for reason of change of residence.

(2) No transfer of credits in subjects passed in another state shall be approved unless the Board finds and determines that the examination in the other state was equivalent to the examination given in Alabama. The applicant's grade or grades on subjects passed in the other U.S. jurisdiction shall be determined and approved by the Board before transfer is approved. A candidate who applies for a transfer of any credits from another state shall file an application acceptable to the Board and pay the required fee.

Author: Alabama Board of Public Accountancy

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

History: Filed September 3, 1982. **Amended:** Filed September 29, 1993; effective November 3, 1993. **Amended:** Filed October 17, 2003; effective November 21, 2003. **Amended:** Filed

November 9, 2015; effective December 14, 2015. **Amended:** Filed November 17, 2016; effective January 1, 2017.

30-X-4-.06 Issuance Of Certified Public Accountant Certificates.

(1) An Alabama Certified Public Accountant certificate, entitling the recipient to be known as a Certified Public Accountant and to use the title or the abbreviation "C.P.A." in connection with his name, may be issued to an applicant who has met all of the education requirements specified in Rule 30-X-4-.02(c)(1), passed the Certified Public Accountant examination, and passed the ethics examination.

(2) For candidates who first sit for the uniform CPA examination on or after January 1, 2016, once the candidate passes all test sections of the uniform CPA examination, the candidate will have 36 months from the time all test sections are passed to obtain the education requirements specified in Rule 30-X-4-.02(c)(1) or Rule 30-X-4-.02(c)(2) or Rule 30-X-4-.02(c)(3). In the event that a candidate passes all test sections of the Uniform CPA Examinations but does not obtain the education requirements specified in Rule 30-X-4-.02(c)(1) or Rule 30-X-4-.02(c)(2) or Rule 30-X-4-.02(c)(3), the credit for all test sections will expire.

(3) A reciprocal certificate based on a certificate issued by another state may be issued without examination to an applicant who meets the qualifications in Rule 30-X-4-.03(2).

Author: Alabama Board of Public Accountancy

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

History: Filed September 3, 1982. **Amended:** Filed July 17, 1984; September 30, 1987; January 31, 1991. **Amended:** Filed March 21, 1994; effective April 25, 1994. **Amended:** Filed October 17, 2003; effective November 21, 2003. **Amended:** Filed November 9, 2015; effective December 14, 2015. **Amended:** Filed November 17, 2016; effective January 1, 2017.

30-X-4-.07 Application And Examination Fees. Effective January 1, 2017, the non-refundable initial application fee for the Certified Public Accountant Examination shall be \$120.00. All subsequent applications to take the examination in whole or in part shall be submitted with a non-refundable application fee of \$75.00. The Board shall approve the fees for each section of the Certified Public Accountant Examination and will post these

fees on the Board's website (www.asbpa.alabama.gov). Examination fees must only be submitted for sections a candidate intends to schedule and sit for in the next six months because the authorization to test is only valid for six months after being approved. The non-refundable application fee for a Reciprocal Certified Public Accountant Certificate and Transfer of Credits shall be \$100.00 each.

Author: Alabama Board of Public Accountancy

Statutory Authority: Code of Ala. 1975, §§34-1-3, 34-1-4.

History: Filed July 8, 1985. **Amended:** Filed July 9, 1987; May 20, 1993. **Amended:** Filed July 21, 1993; effective August 25, 1993. **Amended:** Filed October 17, 2003; effective November 21, 2003. **Amended:** Filed May 11, 2005; effective June 15, 2005. **Amended:** Filed May 12, 2006; effective June 16, 2006. **Amended:** Filed May 9, 2007; effective June 13, 2007. **Amended:** Filed May 6, 2008; effective June 10, 2008. **Amended:** Filed May 16, 2011; effective June 20, 2011. **Amended:** Filed November 9, 2015; effective December 14, 2015. **Amended:** Filed November 17, 2016; effective January 1, 2017.

30-X-4-.08 **Cheating.**

(1) Cheating by a candidate in applying for, taking or subsequent to the examination will be deemed to invalidate any grade otherwise earned by a candidate on any test section of the examination and may warrant summary expulsion from the test site and disqualification from taking the examination for a specified period of time.

(2) For purposes of this Rule, the following actions or attempted activities, among others, may be considered cheating:

(a) Falsifying or misrepresenting educational credentials or other information required for admission to the examination;

(b) Communication by any means between candidates inside or outside the test site or copying another candidate's answers while the examination is in process;

(c) Communication by any means with others inside or outside the test site while the examination is in progress;

(d) Substitution of another person to sit in the test site in the stead of a candidate;

(e) Reference to crib sheets, textbooks, or other material or electronic media, other than that provided to the candidate as part of the examination, inside or outside the test site while the examination is in progress;

(f) Violating the nondisclosure prohibitions of the examination or aiding or abetting another in doing so, or otherwise participating in the collection of test items for use, redistribution or sale;

(g) Retaking or attempting to retake a test section by an individual holding a valid certificate or by a candidate who has unexpired credit for having already passed the same test section, unless the individual has been directed to retake a test section pursuant to Board order or unless the individual has been expressly authorized by the Board to participate in a "secret shopper" program.

(3) In any case where it appears that cheating has occurred or is occurring, the Board or its representatives may either summarily expel the candidate involved from the examination or move the candidate to a position in the test center away from other examinees where the candidate can be watched more closely.

(4) In any case where the Board believes that it has evidence that a candidate has cheated on the examination, including those cases where the candidate has been expelled from the examination, the Board shall conduct an investigation and may conduct a hearing consistent with the requirements of the state's Administrative Procedures Act following the examination session for the purpose of determining whether or not there was cheating, and if so what remedy should be applied. In such proceedings, the Board shall decide:

(a) Whether the candidate shall be given credit for any portion of the examination completed in that session; and

(b) Whether the candidate shall be barred from taking the examination and if so, for what period of time.

(5) In any case where the Board or its representative permits a candidate to continue taking the examination, it may, depending upon the circumstances:

(a) Admonish the candidate;

(b) Seat the candidate in a segregated location for the rest of the examination;

(c) Keep a record of the candidate's seat location and identifying information and the names and identifying information of the candidates in close proximity of the candidate; and/or

(d) Notify the National Candidate Database and AICPA and/or the test center of the circumstances, so that the candidate may be more closely monitored in future examination sessions.

(6) In any case in which a candidate is refused credit for any test section of an examination taken, disqualified from taking any test section, or barred from taking the examination in the future, the Board may provide to the board of accountancy of any other state to which the candidate may apply for the examination information as to the Board's findings and actions taken.

Author: Alabama Board of Public Accountancy

Statutory Authority: Code of Ala. 1975, §§34-1-3, 34-1-4.

History: New Rule: Filed October 17, 2003; November 21, 2003.

Amended: Filed November 9, 2015; effective December 14, 2015.

Amended: Filed November 17, 2016; effective January 1, 2017.

30-X-4-.09 **Security And Irregularities**. Notwithstanding any other provisions under these rules, the Board may postpone scheduled examinations, the release of grades, or the issuance of certificates due to a breach of examination security; unauthorized acquisition or disclosure of the contents of an examination; suspected or actual negligence, errors, omissions, or irregularities in conducting an examination; or for any other reasonable cause or unforeseen circumstance.

Author: Alabama Board of Public Accountancy

Statutory Authority: Code of Ala. 1975, §§34-1-3, 34-1-4.

History: New Rule: Filed October 17, 2003; effective November 21, 2003.