

1977 Assembly Bill 753

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## CHAPTER 264, Laws of 1977

AN ACT to repeal and recreate 442.10 of the statutes, relating to certified public accountants being independent of any enterprise on which they offer financial opinions.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 442.10 of the statutes is repealed and recreated to read:

**442.10 Disclosure of interest in entity reported on.** (1) Whenever any person, as a certified public accountant or public accountant, signs or certifies any report, schedule or statement relative to the affairs of any corporation, association or copartnership in which the person is financially interested or by which the person is regularly engaged as an officer or employe, the signature or certification shall be accompanied by a specific statement setting forth the fact that the person is financially interested in or is an officer or regular employe of the corporation, association or copartnership. If the person is both financially interested and an officer or regular employe, the statement shall cover both financial interest and employment. In the case of a corporation holding a certificate of authority signing or certifying as above, the interest of any of its stockholders shall be disclosed.

(2) Notwithstanding sub. (1), no person licensed under this chapter, and no firm of which the person is a partner or shareholder, may express an opinion as an independent certified public accountant on financial statements of any enterprise unless the person and the firm are independent of the enterprise. The requirement for independence under this subsection also extends to the spouse of such a person and to other relatives having a financial or business relationship with the enterprise which, in the opinion of the examining board, may impair independence.

(3) The examining board may make and enforce all necessary rules relative to this section and may determine the particular phraseology necessary to carry sub. (1) into effect.

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