

## Chapter Accy 5

### FIRM LICENSURE

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**Note:** Chapter Accy 5 as it existed on April 30, 2016 was replaced by a new chapter Accy 5 effective May 1, 2016, as provided in 2015 Wisconsin Act 217 and as set out in the history notes following each section.

#### Subchapter I – Application for Firm License

**Accy 5.101 Firm license.** A firm shall meet the ownership requirements of s. 442.08 (2) (c) 2., Stats., and be licensed as a certified public accountant if any member of the firm practices as a certified public accountant in Wisconsin. An individual licensed as a CPA may only provide attest services, as defined in s. 442.001 (1), Stats., in a CPA firm that has a firm license.

**History:** Cr. Register, May, 1974, No. 221, eff. 6-1-74; r. and recr. Register, February, 1976, No. 242, eff. 3-1-76; am. Register, April, 1986, No. 364, eff. 5-1-86; CR 03-071: am. Register May 2004 No. 581, eff. 6-1-04; 2015 Wis. Act 217: renum. from Accy 4.02 and am. Register May 2016 No. 725, eff. 6-1-16.

**Accy 5.102 Licensure application requirements for firms.** A firm that files an application for licensure shall submit an application that:

- (1) Identifies each office of the firm that is located in this state.
- (2) If any person who holds an ownership interest in the firm is not a licensed certified public accountant, designates an individual licensed as a certified public accountant in Wisconsin as the individual responsible for the firm's compliance with ch. 442, Stats.
- (3) Demonstrates, to the satisfaction of the department, each of the following:
  - (a) That all attest services provided by the firm in this state are under the charge of an individual licensed as a certified public accountant.
  - (b) That more than 50% of the ownership interest of the firm is held by individuals who hold certificates or licenses to practice as a certified public accountant issued under the laws of any state or foreign country.
  - (c) That each person who holds an ownership interest in the firm and who does not hold a certificate or license to practice as a certified public accountant is an individual who actively participates in the firm or an affiliated entity.
  - (d) That the applicant has satisfied the peer review requirements in s. 442.087, Stats., and ch. Accy 6.

**History:** CR 03-071: cr. Register May 2004 No. 581, eff. 6-1-04; 2015 Wis. Act 217: renum. from Accy 4.037 and am. (3) (d) Register may 2016 No. 725, eff. 6-1-16.

**Accy 5.103 Fees.** Fees shall be those specified in s. 440.05, Stats.

**History:** Cr. Register, May, 1974, No. 221, eff. 6-1-74; am. Register, October, 1974, No. 226, eff. 11-1-74; r. and recr. Register, December, 1978, No. 276, eff. 1-1-79; CR 03-071: renum. from Accy 4.08 Register May 2004 No. 581, eff. 6-1-04; 2015 Wis. Act 217: renum. from Accy 4.05 Register May 2016 No. 725, eff. 6-1-16.

#### Subchapter II – Sole Proprietor

**Accy 5.201 Firm license required for sole proprietor.** An individual practicing as a sole proprietor shall be licensed as an individual. One so licensed shall also be licensed as a firm.

**History:** Cr. Register, May, 1974, No. 221, eff. 6-1-74; am. Register, April, 1986, No. 364, eff. 5-1-86; CR 03-071: am. Register May 2004 No. 581, eff. 6-1-04; 2015 Wis. Act 217: renum. from Accy 4.03 Register May 2016 No. 725, eff. 6-1-16.

#### Subchapter III – Offices; Internet Practice

**Accy 5.301 More than one office.** A firm with more than one office in Wisconsin is required to be licensed only once.

**History:** Cr. Register, May, 1974, No. 221, eff. 6-1-74; CR 03-071: am. Register May 2004 No. 581, eff. 6-1-04; 2015 Wis. Act 217: renum. from Accy 4.01 Register May 2016 No. 725, eff. 6-1-16.

**Accy 5.302 Firms without office in this state.** Firms without a bona fide office in this state, as described in s. Accy 5.303 (2), may be licensed if there is a licensed Wisconsin certified public accountant designated as the individual responsible for the firm's compliance with ch. 442, Stats., for the Wisconsin engagement or engagements.

**History:** Cr. Register, May, 1974, No. 221, eff. 6-1-74; r. and recr. Register, February, 1976, No. 242, eff. 3-1-76; am. Register, February, 1992, No. 434, eff. 3-1-92; CR 03-071: renum. from Accy 4.06 and am. Register May 2004 No. 581, eff. 6-1-04; 2015 Wis. Act 217: renum. from Accy 4.04 and am. Register may 2016 No. 725, eff. 6-1-16.

**Accy 5.303 Out-of-state firm with a bona fide office in Wisconsin but no resident partner or stockholder.**

(1) Out-of-state firms with a bona fide Wisconsin office, as described in sub. (2), but with no Wisconsin resident member of a firm, may be licensed to practice in Wisconsin provided that there is a licensed Wisconsin certified public accountant designated as the individual responsible for the firm's compliance with ch. 442, Stats., and all of the members of the firm with responsibility for the Wisconsin office are licensed in Wisconsin.

(2) A bona fide office is one which has the following characteristics:

(a) *Office facilities.* Readily identifiable as the certified public accountant's separate office.

(b) *Supervision.* Work performed by or through the office is under the direct supervision of one or more certified public accountants.

(c) *Certified public accountant availability.* A certified public accountant is present in the office on a regular basis and frequently.

**History:** Cr. Register, February, 1976, No. 242, eff. 3-1-76; renum. to be (1) and am., cr. (2), Register, December, 1978, No. 276, eff. 1-1-79; r. and recr. (1), Register, February, 1980, No. 290, eff. 3-1-80; CR 03-071: r. (2) (d), renum. from Accy 4.06 and am. (1) Register May 2004 No. 581, eff. 6-1-04; 2015 Wis. Act 217: renum. from Accy 4.06 Register May 2016 No. 725, eff. 6-1-16.

**Accy 5.304 Internet practice.** A CPA firm offering or rendering professional services via an Internet site shall provide in the Internet site's homepage, a name, an address, and a principal state of licensure as a means for regulators and the public to contact a responsible licensee in charge at the firm regarding complaints, questions, or regulatory compliance.

**History:** 2015 Wis. Act 217; cr. Register May 2016 No. 725, eff. 6-1-16.

#### Subchapter IV – Firm Members

**Accy 5.401 Change in members of a firm. (1)** The board shall be notified by the firm in writing of changes in the members of the firm or firm name or any of the following no later than 30 days after the change:

- (a) Formation of a new firm.

- (b) Termination of a firm.
- (c) Change in the management of any branch office in this state.

- (d) Establishment of a new branch office or the closing or change of address of a branch office in this state.

**(2)** The board shall be notified by a firm in writing of any addition of a partner, member, manager or shareholder or the retirement, withdrawal or death of a partner, member, manager or shareholder as of January 1 of each year.

**(3)** Reorganizations, mergers, or comparable changes in which a new firm is created shall make application and the new firm licensed before practice can be commenced.

**History:** Cr. Register, February, 1980, No. 290, eff. 3-1-80; CR 03-071: renum. from Accy 4.11 and am. Register May 2004 No. 581, eff. 6-1-04; 2015 Wis. Act 217: renum. (title), (1) (intro.), (3) from Accy 4.07 (title), (1), (2) and am. (1) (intro.), cr. (1) (a) to (d), (2) Register May 2016 No. 725, eff. 6-1-16.