

APA-1  
07/04

# TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

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

\_\_\_\_\_ New X Amend \_\_\_\_\_ Repeal \_\_\_\_\_ Adopt by Reference

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 and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? No

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

\*\*\*\*\*  
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.

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## 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 Reference Service.

Signature of certifying officer *D. Boyd Busby*  
D. Boyd Busby, CPA, Executive Director

Date September 19, 2016

(DATE FILED)  
(STAMP)

**ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY**

**NOTICE OF INTENDED ACTION**

**AGENCY NAME:** The Alabama State Board of Public Accountancy

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

**INTENDED ACTION:** The Alabama State Board of Public Accountancy intends to amend rule 30-X-1-.01.

**SUBSTANCE OF PROPOSED ACTION:** Rule will be amended 1) to provide a more accurate definition for acceptable territories of the United States, and 2) to define good moral character.

**TIME, PLACE, 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 November 16, 2016 following the 30<sup>th</sup> day of September 2016, or, if requested in advance, by personally appearing at the Alabama State Board of Public Accountancy Board Meeting to be held at The University of Alabama, The Ferguson Student Center, 751 Campus Drive West, Tuscaloosa, Alabama, 35404, at 10:00 a.m., Wednesday, November 16, 2016.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:** November 16, 2016

**CONTACT PERSON AT AGENCY:** 

D. Boyd Busby, CPA  
Executive Director  
Alabama State Board of Public Accountancy  
PO Box 300375  
Montgomery, AL 36130-0375  
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ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY  
ADMINISTRATIVE CODECHAPTER 30-X-1  
DEFINITIONS

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## 30-X-1-.01 Definitions

All references to the law or the acts are to Act No. 997 Alabama Law, Regular Session, 1973, known as the "Public Accountancy Act of 1973."

**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.  
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~~United States, the District of Columbia, Puerto Rico, Guam, and the U.S. Virgin Islands.~~—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; or
2. Auditing or examining financial statements and issuing a report expressing or disclaiming an opinion on such statements; or
3. Reviewing financial statements and issuing a report expressing assurance on such statements.

(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.

~~(h)~~ (i) Masculine terms shall also include feminine.

~~(i)~~ (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 September 19, 2016