

1 State of Arkansas  
2 92nd General Assembly  
3 Regular Session, 2019

# A Bill

SENATE BILL 290

4  
5 By: Senator Rapert  
6 By: Representative Warren

## For An Act To Be Entitled

9 AN ACT TO MODIFY THE INACTIVE STATUS AND LICENSE  
10 RENEWAL REQUIREMENTS OF AN ACCOUNTANT; AND FOR OTHER  
11 PURPOSES.

## Subtitle

15 TO MODIFY THE INACTIVE STATUS AND LICENSE  
16 RENEWAL REQUIREMENTS OF AN ACCOUNTANT.

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

21 SECTION 1. Arkansas Code § 17-12-505 is amended to read as follows:  
22 17-12-505. Inactive status.

23 (a) The Arkansas State Board of Public Accountancy may by rule create  
24 an exception to the continuing education requirement of § 17-12-502 for  
25 licensees who do not perform or offer to perform for the public;

26 (1) ~~one~~ One (1) or more kinds of services involving the use of  
27 accounting or auditing skills, including issuance of reports on financial  
28 statements; ~~or~~

29 (2) ~~of one~~ One (1) or more kinds of management advisory,  
30 financial advisory, or consulting services;

31 (3) ~~or the~~ The preparation of tax returns; or

32 (4) ~~the~~ The furnishing of advice on tax matters.

33 (b) ~~Each~~ A licensee granted ~~such~~ an exception under subsection (a) of  
34 this section by the board ~~must~~ shall place the word "inactive" adjacent to  
35 his or her CPA title or PA title on any business card, letterhead, electronic  
36 transmission, or any other document or device, with the exception of his or



1 her CPA certificate or PA registration, on which his or her CPA or PA title  
2 appears.

3 (c) The following activities are exempted from the restrictions  
4 provided in subsection (a) of this section:

5 (1) Attorneys with a current law license may provide tax  
6 services as allowed by his or her law license while his or her CPA or PA  
7 license is on inactive status;

8 (2) A nonresident licensee who holds an active CPA or PA license  
9 to practice in his or her state of residence may engage in the activities  
10 permitted by the license issued by the state of residence while his or her  
11 Arkansas CPA or PA license remains inactive, but he or she may not engage in  
12 the activities listed in subsection (a) of this section within this state,  
13 for clients who are residents of this state, or for clients whose home office  
14 is located in this state without an active Arkansas CPA or PA license;

15 (3) An inactive licensee may provide services listed in  
16 subsection (a) of this section on a volunteer basis if no compensation is  
17 received, the services are not attest services, and no documents are signed  
18 as a CPA or PA by the inactive licensee; and

19 (4) An inactive licensee who has returned to work involving the  
20 practice of public accounting and has applied with the board to upgrade his  
21 or her license to active status may engage in the activities listed in  
22 subsection (a) of this section if he or she is supervised by another active  
23 licensee and no documents are signed as a CPA or PA by the inactive licensee  
24 until his or her application is approved by the board.

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