

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact §§ 54.1-4400, 54.1-4403, 54.1-4409.1, 54.1-4409.2, 54.1-4411, 54.1-4412.1, 54.1-4413.4, 54.1-4414 and 54.1-4425 of the Code of Virginia, relating to certified public accountant; educational requirements.

[H 2042]

Approved

Be it enacted by the General Assembly of Virginia:
1. That §§ 54.1-4400, 54.1-4403, 54.1-4409.1, 54.1-4409.2, 54.1-4411, 54.1-4412.1, 54.1-4413.4, 54.1-4414 and 54.1-4425 of the Code of Virginia are amended and reenacted as follows:

§ 54.1-4400. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Accredited institution" means a degree-granting institution of higher education accredited either by (i) one of the regional accrediting organizations, including the Middle States Association of Colleges and Schools, New England Commission of Higher Education, Higher Learning Commission, Northwest Commission on Colleges and Universities, Southern Association of Colleges and Schools Commission on Colleges, and WASC Senior College and University Commission, or their successors or (ii) an accrediting organization demonstrating to the Board periodically, as prescribed by the Board, that its accreditation process and standards are substantially equivalent to the accreditation process and standards of the regional accrediting organizations.

"Assurance" means any form of expressed or implied opinion or conclusion about the conformity of a financial statement with any recognition, measurement, presentation, or disclosure principles for financial statements.

"Attest services" means audit, review, or other engagements performed in accordance with the standards that have been established by the Public Company Accounting Oversight Board, by the Auditing Standards Board or the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, or by any successor standard-setting authorities.

"Board" means the Virginia Board of Accountancy.

"Compilation services" means compiling financial statements in accordance with standards established by the American Institute of Certified Public Accountants or by any successor standard-setting authorities.

"Continuing professional education" means the education that a person obtains after passing the CPA examination and that relates to services provided to or on behalf of an employer in academia, government, or industry or to services provided to the public.

"CPA" means certified public accountant.

"CPA examination" means the national uniform CPA examination approved and administered by the board of accountancy of a state or by the board's designee.

"CPA wall certificate" means the symbolic document suitable for wall display that is issued by the board of accountancy of a state to a person meeting the requirements to use the CPA title in that state.

"Executive Director" means the Executive Director of the Board.

"Experience" means employment in academia, a firm, government, or an industry in any capacity involving the substantial use of accounting, financial, tax, or other skills that are relevant, as determined by the Board, to provide services to or on behalf of an employer or to the public. Such experience must be verified by an active, licensed CPA.

"Facilitated State Board Access" or "FSBA" means the sponsoring organization's process whereby it provides the Board access to peer review results via a secure website.

"Financial statement" means a presentation of historical or prospective financial information about one or more persons or entities.

"Financial statement preparation services" means engaging a licensee in public practice for financial statement preparation services executed in accordance with the standards established by the Statements on Standards for Accounting and Review Services of the American Institute of Certified Public Accountants or by any successor standard-setting authorities.

"Firm" means an entity formed by one or more licensees as a sole proprietorship, a partnership, a corporation, a limited liability company, or any other type of entity permitted by law with the purpose of providing professional services to the public.

"License of another state" means the license that is issued by the board of accountancy of a state other than Virginia that gives a person the privilege of using the CPA title in that state or that gives a firm the privilege of providing attest services, compilation services, and financial statement preparation services to

57 persons and entities located in that state.

58 "Licensed" means holding a Virginia license or the license of another state.

59 "Licensee" means a person or firm holding a Virginia license or the license of another state.

60 "Peer review" means a review of a firm's attest services, compilation services, and financial statements  
61 preparation services that is conducted in accordance with the applicable monitoring program of the American  
62 Institute of Certified Public Accountants or its successor, or with another monitoring program approved by  
63 the Board.

64 "Practice of public accounting" means the performance of professional services for a client by a licensee  
65 or licensee's firm.

66 "Professional services" means all services requiring substantial use of accountancy or related skills that  
67 are performed by a licensee for a client or for an employer. Such services are subject to the guidance of the  
68 standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of §  
69 54.1-4413.3 or by any equivalent standard-setting authority as approved by the Board.

70 "Providing services to or on behalf of an employer" means the performance of professional services while  
71 employed or engaged on a contractual basis by a licensee to or on behalf of an entity. "Providing services to  
72 or on behalf of an employer" does not include a person or firm engaged in the practice of public accounting.

73 "Providing services to the public" means providing services that are subject to the guidance of the  
74 standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of §  
75 54.1-4413.3 or by an equivalent standard-setting authority as approved by the Board.

76 "Sponsoring organization" means a Board-approved professional society or other organization responsible  
77 for the facilitation and administration of peer reviews through use of its peer review program and applicable  
78 peer review standards.

79 "State" means any state of the United States, the District of Columbia, or any territory of the United States  
80 that is a recognized jurisdiction by the National Association of State Boards of Accountancy or its successor.

81 "*Substantially equivalent*" means a Board determination that the education requirements of another  
82 jurisdiction are comparable to those prescribed by the Board.

83 "Using the CPA title in Virginia" means the use of "CPA," "Certified Public Accountant," or "public  
84 accountant" in any manner of communication by any person, firm, or entity to persons or entities located in  
85 Virginia portraying such person, firm, or entity as being licensed or legally permitted to provide professional  
86 services in Virginia. Holding a Virginia license or the license of another state constitutes using the CPA title  
87 in Virginia.

88 "Virginia license" means a license that is issued by the Board giving a person or firm the privilege of  
89 using the CPA title in Virginia or a firm the privilege of providing attest services, compilation services, and  
90 financial statement preparation services to persons and entities located in Virginia.

91 **§ 54.1-4403. General powers and duties of the Board.**

92 The Board shall have the power and duty to:

93 1. Establish the qualifications of applicants for licensure, provided that all qualifications shall be  
94 necessary to ensure competence and integrity.

95 2. Examine, or cause to be examined, the qualifications of each applicant for licensure, including the  
96 preparation, administration, and grading of the CPA examination.

97 3. Promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.)  
98 necessary to assure continued competency, to prevent deceptive or misleading practices by licensees, and to  
99 effectively administer the regulatory system.

100 4. Levy and collect fees for the issuance, renewal, or reinstatement of Virginia licenses that are sufficient  
101 to cover all expenses of the administration and operation of the Board.

102 5. Levy on holders of Virginia licenses special assessments necessary to cover expenses of the Board.

103 6. Initiate or receive complaints concerning the conduct of or violation of the provisions of this chapter or  
104 regulations promulgated by the Board by holders of Virginia licenses, individuals, firms, or entities claiming  
105 to hold a Virginia license, or unlicensed individuals, firms, or entities using the CPA title in Virginia, and to  
106 take appropriate disciplinary action if warranted.

107 7. Initiate or receive complaints concerning the conduct of persons or firms who use the CPA title in  
108 Virginia under the ~~substantial equivalency~~ *practice privilege* provisions of § 54.1-4411 or firms that provide  
109 attest services, compilation services, or financial statement preparation services to persons or entities located  
110 in Virginia under the provisions of subsection C of § 54.1-4412.1, and to take appropriate disciplinary action  
111 if warranted.

112 8. Initiate or receive complaints concerning violations of the provisions of this chapter or regulations  
113 promulgated by the Board by persons or firms who use the CPA title in Virginia under the ~~substantial~~  
114 ~~equivalency~~ *practice privilege* provisions of § 54.1-4411 or firms that provide attest services, compilation  
115 services, or financial statement preparation services to persons or entities located in Virginia under the  
116 provisions of subsection C of § 54.1-4412.1, and to take appropriate disciplinary action if warranted.

117 9. Revoke, suspend, or refuse to renew or reinstate a Virginia license for just causes as prescribed by the  
118 Board.

119 10. Revoke or suspend, for just causes as prescribed by the Board, a person's or firm's privilege of using  
 120 the CPA title in Virginia under the ~~substantial equivalency~~ *practice privilege* provisions of § 54.1-4411 or a  
 121 firm's privilege of providing attest services, compilation services, or financial statement preparation services  
 122 to persons or entities located in Virginia under the provisions of subsection C of § 54.1-4412.1.

123 11. Establish requirements for peer reviews.

124 12. Establish continuing professional educational requirements as a condition for issuance, renewal, or  
 125 reinstatement of a Virginia license.

126 13. Expand or interpret the standards of conduct and practice in § 54.1-4413.3.

127 14. Enter into contracts necessary or convenient for carrying out the provisions of this chapter or the  
 128 functions of the Board.

129 15. Permit certain biographical references to previous CPA licensure.

130 16. Promulgate additional guidance on using the CPA title in Virginia as necessary.

131 17. Do all things necessary and convenient for carrying into effect this chapter and regulations  
 132 promulgated by the Board.

133 **§ 54.1-4409.1. Licensing requirements for persons.**

134 A. A person must be licensed in order to use the CPA title in Virginia.

135 1. The person shall hold a Virginia license if he provides services to the public and the principal place of  
 136 business in which he provides those services is in Virginia.

137 2. Other persons shall not be required to hold a Virginia license in order to use the CPA title in Virginia  
 138 provided that they hold the license of another state and comply with the ~~substantial equivalency~~ *practice*  
 139 *privilege* provisions of § 54.1-4411.

140 B. The Board shall prescribe the methods, fees, and continuing professional education requirements for a  
 141 person to apply for the issuance, renewal, or reinstatement of a Virginia license.

142 C. The Board has the authority to refuse to grant a person the privilege of using the CPA title in Virginia  
 143 if, based upon all the information available, the Board finds that the person is unfit or unsuited to use the  
 144 CPA title in Virginia. The Board shall not refuse to grant a person the privilege of using the CPA title in  
 145 Virginia solely because of a criminal conviction.

146 **§ 54.1-4409.2. How a person may obtain a Virginia license.**

147 A. A person who has not held the license of any state may obtain a Virginia license under this subsection.

148 1. To be considered for a Virginia license, the person seeking licensure shall:

149 a. Provide documentation that he has obtained from one or more accredited institutions at least 150  
 150 semester hours of education, a baccalaureate or higher degree, and an accounting concentration or equivalent,  
 151 as defined by the Board. *For a person seeking licensure on or after January 1, 2026, provide documentation*  
 152 *that he has obtained from one or more accredited institutions a baccalaureate or higher degree and an*  
 153 *accounting concentration or equivalent, as defined by the Board;*

154 b. Provide documentation that he has passed the CPA examination;

155 c. Describe his continuing professional education since he passed the CPA examination. The Board shall  
 156 determine whether his continuing professional education complies with the continuing professional education  
 157 requirement prescribed by the Board for that period; and

158 d. *(1) For a person seeking licensure prior to January 1, 2026, describe* ~~Describe~~ his experience. The  
 159 Board shall determine whether his experience complies with the experience requirement prescribed by the  
 160 Board.

161 *(2) For a person seeking licensure on or after January 1, 2026, provide documentation of qualifying*  
 162 *experience as determined by the Board, which shall include:*

163 *(a) Two years of experience for a person who has obtained a baccalaureate degree. The Board shall*  
 164 *permit at least 30 additional semester hours of education beyond the minimum hours required for a*  
 165 *baccalaureate degree to be substituted for one year of experience; or*

166 *(b) One year of experience for a person who has obtained a master's degree.*

167 2. After evaluating information provided by the person, the Board may request additional information and  
 168 may impose additional requirements for obtaining a Virginia license.

169 B. A person who does not hold the license of another state but has previously held the license of another  
 170 state may obtain a Virginia license under this subsection.

171 1. To be considered for a Virginia license, the person seeking licensure shall:

172 a. Disclose to the Board each state in which he has held a license;

173 b. Disclose, for each of those states, why the license is no longer held and provide documentation from the  
 174 board of accountancy concerning whether he has been found guilty of any violations of the standards of  
 175 conduct and practice established by statutes of the state or regulations promulgated by the board;

176 c. Describe the semester hours of education he has obtained from institutions of higher education. The  
 177 Board shall determine whether the education obtained is substantially equivalent to the education ~~that would~~  
 178 ~~have been~~ required by the Board when the person passed the CPA examination;

179 d. *Provide documentation that the person has passed the CPA examination;*

180 e. Describe his continuing professional education since he last held the license of another state. The Board

181 shall determine whether his continuing professional education complies with requirement prescribed by the  
 182 Board for reinstatement of a Virginia license; and

183 e. *f.* Describe his experience. The Board shall determine whether his experience complies with the  
 184 experience requirement prescribed by the Board.

185 2. After evaluating the information provided by the person, the Board may request additional information  
 186 and may impose additional requirements for obtaining a Virginia license.

187 C. A person who holds the license of another state may obtain a Virginia license under this subsection.

188 1. To be considered for a Virginia license, the person seeking licensure shall:

189 a. Disclose to the Board each state in which he holds or has held a license;

190 b. Provide, for each state in which the person holds a license, documentation from the board of  
 191 accountancy concerning whether he is in good standing with the board, whether there are any pending actions  
 192 alleging violations of the standards of conduct and practice established by statutes of the state or regulations  
 193 promulgated by the board, and whether he has been found guilty of any violations of the standards of conduct  
 194 and practice established by statutes of the state or regulations promulgated by the board;

195 c. Disclose, for each state in which the person has held a license, why the license is no longer held and  
 196 provide documentation from the board of accountancy concerning whether he has been found guilty of any  
 197 violations of the standards of conduct and practice established by statutes of the state or regulations  
 198 promulgated by the board;

199 d. Describe the semester hours of education he has obtained from institutions of higher education. The  
 200 Board shall determine whether the education obtained is substantially equivalent to the education ~~that would~~  
 201 ~~have been required by the Board when the person passed the CPA examination;~~

202 e. *Provide documentation that the person has passed the CPA examination;*

203 f. Describe his continuing professional education during the most recent reporting period that would be  
 204 required for the holder of a Virginia license. The Board shall determine whether his continuing professional  
 205 education complies with the continuing professional education requirement prescribed by the Board for that  
 206 period; and

207 ~~f. g.~~ Describe his experience. The Board shall determine whether his experience complies with the  
 208 experience requirement prescribed by the Board.

209 2. After evaluating the information provided by the person, the Board may request additional information  
 210 and may impose additional requirements for obtaining a Virginia license.

211 **§ 54.1-4411. Practice privilege provisions for persons who hold the license of another state.**

212 A. A person who (i) holds the license of another state shall be considered to have met requirements that  
 213 are substantially equivalent to those prescribed by the Board if:

214 1. ~~The Board has determined that the education, CPA examination, and experience requirements of the~~  
 215 ~~state are substantially equivalent to those prescribed by the Board, or~~

216 2. ~~The person has demonstrated meeting education, CPA examination, and experience requirements that~~  
 217 ~~are substantially equivalent to those prescribed by the Board.~~ *a license in good standing issued by another*  
 218 *state, territory of the United States, or the District of Columbia and (ii) has passed the CPA examination*  
 219 *shall be granted practice privilege to provide services to the public in the Commonwealth without notice to*  
 220 *the Board or payment of any fees.*

221 B. A person who holds the license of another state and meets the substantial equivalency provisions of  
 222 *exercises practice privilege pursuant to* subsection A shall not be required to hold a Virginia license to use  
 223 the CPA title in Virginia provided that either (i) he provides services to the public and the principal place of  
 224 business in which he provides those services is in other states or (ii) he does not provide services to the  
 225 public.

226 However, to use the CPA title in Virginia, the person shall:

227 1. Consent to be subject to:

228 a. The provisions of this chapter and regulations promulgated by the Board that apply to the holder of a  
 229 Virginia license;

230 b. The jurisdiction of the Board in all disciplinary proceedings arising out of matters related to his use of  
 231 the CPA title *or providing services to the public* in Virginia; and

232 c. The Board's authority to revoke or suspend his privilege to use the CPA title in Virginia and to impose  
 233 penalties for the person's violations of the provisions of this chapter and regulations promulgated by the  
 234 Board.

235 2. Consent to the appointment of the executive director of the board of accountancy of the state that issued  
 236 the license as his agent, upon whom process may be served (i) in any action or proceeding by the Board  
 237 against him, or (ii) in any civil action in Virginia courts arising out of his using the CPA title in Virginia. In  
 238 the event he holds a license from more than one state, the Board shall establish which executive director shall  
 239 serve as his agent.

240 3. Consent to the personal and subject matter jurisdiction of the courts of Virginia in any civil action  
 241 arising out of his use of the CPA title *or providing services to the public* in Virginia and agree that the proper  
 242 venue for such actions is in Virginia.

- 243 4. Agree to cease using the CPA title in Virginia if he is no longer licensed.
- 244 C. A holder of a Virginia license who is using the CPA title in another state under substantial equivalency
- 245 *or practice privilege* provisions of statutes of the state or regulations promulgated by the board of
- 246 accountancy of the state shall be subject to disciplinary action by the Board for an act or omission committed
- 247 in that state. The Board may investigate any complaint made to or by the board of accountancy of any state
- 248 related to the person's use of the CPA title in that state.
- 249 D. The Board may cooperate and share information with appropriate authorities in other states in
- 250 investigations or enforcement matters concerning violations of the provisions of this chapter or regulations
- 251 promulgated by the Board and comparable statutes or regulations of other states or boards of accountancy.
- 252 *E. Notwithstanding any provision of law to the contrary, if the Board determines after evaluation that*
- 253 *another state has granted CPA licenses without requiring candidates to meet minimum qualifications*
- 254 *acceptable to the Board, the Board may revoke practice privileges in the Commonwealth for CPAs licensed*
- 255 *by that state. Individual CPAs from states for which practice privileges have been revoked can still qualify*
- 256 *for practice privileges in the Commonwealth if the person would qualify for licensure in Virginia.*
- 257 **§ 54.1-4412.1. Licensing requirements for firms.**
- 258 A. Only a licensed firm can provide attest services, compilation services, or financial statement
- 259 preparation services to persons or entities located in Virginia. However, this shall not affect the privilege of a
- 260 person who is not licensed to include a statement on financial statements indicating that no assurance is
- 261 provided on the financial statements, to say that financial statements have been compiled, or to use the
- 262 compilation language, as prescribed by subsections B and C of § 54.1-4401.
- 263 B. A firm that provides attest services, compilation services, or financial statement preparation services to
- 264 persons or entities located in Virginia shall obtain a Virginia license if such firm's principal place of business
- 265 is in Virginia.
- 266 C. A firm whose principal place of business is not in Virginia is not required to obtain a Virginia license
- 267 but may provide attest services, compilation services, or financial statement preparation services to persons or
- 268 entities located in Virginia if the following provisions are met:
- 269 1. The firm holds the license of another state and can lawfully provide attest services, compilation
- 270 services, or financial statement preparation services to persons or entities in the state where its principal place
- 271 of business is located; and
- 272 2. The firm complies with subsection D; and
- 273 3. The firm's personnel working on the engagement either (i) hold a Virginia license or (ii) hold the
- 274 license of another state and comply with the ~~substantial equivalency~~ *practice privilege* provisions of §
- 275 54.1-4411; or
- 276 4. The firm's personnel working on the engagement are under the supervision of a person who either (i)
- 277 holds a Virginia license or (ii) holds the license of another state and complies with the ~~substantial equivalency~~
- 278 *practice privilege* provisions of § 54.1-4411.
- 279 D. For a firm to obtain and hold a Virginia license:
- 280 1. As determined on a firm-wide basis:
- 281 a. At least 51 percent of the owners of the firm shall be licensees, trustees of an eligible employee stock
- 282 ownership plan as defined in § 13.1-543, or a firm that meets this requirement; and
- 283 b. At least 51 percent of the voting equity interest in the firm shall be owned by persons who are licensees,
- 284 by trustees of an eligible employee stock ownership plan as defined in § 13.1-543, or by a firm that meets this
- 285 requirement.
- 286 If the death, retirement, or departure of an owner causes either of these requirements not to be met, the
- 287 requirement shall be met within one year after the death, retirement, or departure of the owner.
- 288 2. The Board shall prescribe requirements concerning the hours that owners who are not licensees work in
- 289 the firm and may prescribe other requirements for those persons.
- 290 3. All attest services, compilation services, and financial statement preparation services provided for
- 291 persons and entities located in Virginia shall be under the supervision of a person who either (i) holds a
- 292 Virginia license or (ii) holds the license of another state and complies with the ~~substantial equivalency~~
- 293 *practice privilege* provisions of § 54.1-4411.
- 294 4. Any person who releases or authorizes the release of reports on attest services, compilation services, or
- 295 financial statement preparation services provided for persons or entities located in Virginia shall:
- 296 a. Either (i) hold a Virginia license or (ii) hold the license of another state and comply with the ~~substantial~~
- 297 ~~equivalency~~ *practice privilege* provisions of § 54.1-4411; and
- 298 b. Meet any additional requirements the Board prescribes.
- 299 5. The firm shall conduct its attest services, compilation services, and financial statement preparation
- 300 services in conformity with the standards of conduct and practice in § 54.1-4413.3 and regulations
- 301 promulgated by the Board.
- 302 6. If the services provided by the firm are within the scope of the practice-monitoring program of the
- 303 American Institute of Certified Public Accountants or its successor, the firm shall enroll in the program or in
- 304 another practice-monitoring program for attest services, compilation services, and financial statement

305 preparation services that is approved by the Board. In addition, if enrolled the firm shall:

306 a. Comply with any requirements prescribed by the Board in response to the results of peer reviews; and  
 307 b. Participate in the American Institute of Certified Public Accountants', or sponsoring organizations',  
 308 Facilitated State Board Access process, or its successor process, or another process approved by the Board for  
 309 peer reviews.

310 7. The name of the firm shall not be false, misleading, or deceptive.

311 E. The Board shall prescribe the methods and fees for a firm to apply for the issuance, renewal, or  
 312 reinstatement of a Virginia license.

313 F. A firm may not use the CPA title in Virginia unless it holds a Virginia license or the license of another  
 314 state as permitted in subsection C.

315 **§ 54.1-4413.4. Penalties.**

316 A. Penalties the Board may impose consist of:

317 1. Revoking a Virginia license or the privilege of using the CPA title in Virginia or providing attest  
 318 services, compilation services, or financial statement preparation services to persons or entities located in  
 319 Virginia;

320 2. Suspending or refusing to renew or reinstate a Virginia license or the privilege of using the CPA title in  
 321 Virginia or providing attest services, compilation services, or financial statement preparation services to  
 322 persons or entities located in Virginia;

323 3. Reprimanding, censuring, or limiting the scope of practice of any person, firm, or entity using a  
 324 Virginia license or the CPA title in Virginia or any firm providing attest services, compilation services, or  
 325 financial statement preparation services to persons or entities located in Virginia;

326 4. Placing any person, firm, or entity using a Virginia license or the CPA title in Virginia or any firm  
 327 providing attest services, compilation services, or financial statement preparation services to persons or  
 328 entities located in Virginia on probation, with or without terms, conditions, and limitations;

329 5. Requiring a firm holding a Virginia license to have an accelerated peer review conducted as the Board  
 330 may specify or to take other remedial actions;

331 6. Requiring a person holding a Virginia license to satisfactorily complete additional or specific  
 332 continuing professional education as the Board may specify;

333 7. Imposing a monetary penalty up to \$100,000 for each violation of the provisions of this chapter or  
 334 regulations promulgated by the Board; any monetary penalty may be sued for and recovered in the name of  
 335 the Commonwealth; and

336 8. Requiring any person, firm, or entity that violates § 54.1-4414 to discontinue any acts in violation of  
 337 that provision.

338 B. The Board may impose penalties on persons, firms, or entities using a Virginia license or the CPA title  
 339 in Virginia or firms or entities providing attest services, compilation services, or financial statement  
 340 preparation services to persons or entities located in Virginia for:

341 1. Violation of the provisions of this chapter or violation of any regulation, subpoena, or order of the  
 342 Board;

343 2. Fraud or deceit in obtaining, renewing, or applying for reinstatement or lifting the suspension of a  
 344 Virginia license;

345 3. Revocation, suspension, or refusal to reinstate the license of another state for disciplinary reasons;

346 4. Revocation or suspension of the privilege of practicing before any state or federal agency or federal  
 347 court of law;

348 5. Dishonesty, fraud, or gross negligence in providing services to or on behalf of an employer, in  
 349 providing services to the public, or in providing attest services, compilation services, or financial statement  
 350 preparation services;

351 6. Dishonesty, fraud, or gross negligence in preparing the person's or firm's own state or federal income  
 352 tax return or financial statement;

353 7. Conviction of a felony, or of any crime involving moral turpitude, under the laws of the United States,  
 354 of Virginia, or of any other state if the acts involved would have constituted a crime under the laws of  
 355 Virginia; or

356 8. Lack of the competence required to provide services to the public for persons and entities located in  
 357 Virginia or to provide attest services, compilation services, and financial statement preparation services to  
 358 persons and entities located in Virginia, as determined by the Board.

359 C. The Board may also impose penalties on:

360 1. A person, firm, or entity that does not hold a Virginia license, or that does not meet the requirements to  
 361 use the CPA title in Virginia under the ~~substantial equivalency~~ *practice privilege* provisions of § 54.1-4411,  
 362 and commits any of the acts prohibited by § 54.1-4414; or

363 2. A firm or entity that does not meet the criteria prescribed by subdivision D 1 of § 54.1-4412.1 and  
 364 commits any of the acts prohibited by § 54.1-4414.

365 **§ 54.1-4414. Prohibited acts.**

366 Neither (i) a person who does not hold a Virginia license or who does not meet the requirements to use the

367 CPA title in Virginia under the ~~substantial equivalency~~ *practice privilege* provisions of § 54.1-4411 nor (ii)  
368 an entity that does not meet the criteria prescribed by subdivision D 1 of § 54.1-4412.1 shall:

- 369 1. Practice public accounting;
- 370 2. Claim to hold a license to use the CPA title;
- 371 3. Make any other claim of licensure, registration, or approval related to the preparation of financial
- 372 statements that is false or misleading;
- 373 4. Use the CPA title; or
- 374 5. Refer to any of the standard-setting authorities listed in the standards of conduct and practice in
- 375 subdivisions 5 and 6 of § 54.1-4413.3, or refer to or use any of the terminology prescribed by those
- 376 authorities for reporting on financial statements, in any form or manner of communication about services
- 377 provided to persons or entities located in Virginia.

378 **§ 54.1-4425. Time for filing complaints against CPAs or CPA firms.**

379 A. Except as otherwise provided in subsections B and C, any complaint against the holder of a Virginia  
380 license for any violation of statutes or regulations pertaining to the Board or any of the programs that may be  
381 in another title of the Code for which the Board has enforcement responsibility, in order to be investigated by  
382 the Board, shall be made in writing, or otherwise made in accordance with Board procedures, and received by  
383 the Board within ~~three~~ *five* years of the act, omission, or occurrence giving rise to the violation.

384 B. However, where a holder of a Virginia license has materially and willfully misrepresented, concealed,  
385 or omitted any information and the information so misrepresented, concealed, or omitted is material to the  
386 establishment of the violation, the complaint may be made at any time within two years after discovery of the  
387 misrepresentation, concealment, or omission.

388 C. In cases where criminal charges have been filed involving matters that, if found to be true, would also  
389 constitute a violation of the regulations or laws of the regulant's profession enforced by the Board, an  
390 investigation may be initiated by the Board at any time within ~~three~~ *five* years following the date of  
391 conviction.

392 D. In order to be investigated by the Board, any complaint against an individual or firm using the CPA  
393 title in Virginia under the ~~substantial equivalency~~ *practice privilege* provisions of § 54.1-4411 or against a  
394 firm or entity providing attest services, compilation services, or financial statement preparation services under  
395 subsection C of § 54.1-4412.1 for any violation of statutes or regulations pertaining to the Board or any of the  
396 programs that may be in another title of this Code for which the Board has enforcement responsibility shall  
397 be made in writing, or otherwise made in accordance with Board procedures, and received by the Board  
398 within five years of the act, omission, or occurrence giving rise to the violation.

399 E. Public information obtained from any source may serve as the basis for a written complaint. Nothing in  
400 this section shall be construed to require the filing of a complaint if the alleged violation of the statute or  
401 regulation is discovered during an investigation authorized by law, and the acts, omissions, or conditions  
402 constituting the alleged violations are witnessed by a sworn investigator appointed by the Executive Director.

403 F. Nothing herein shall deny the right of any party to bring a civil cause of action in a court of law.

404 **2. That the Board of Accountancy shall promulgate regulations to implement the provisions of this act**  
405 **to be effective within 280 days of its enactment.**