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2003 Regular Session 3lr0036

By: Chairman, Education, Health, and Environmental Affairs (By Request -**Departmental - Labor, Licensing and Regulation)** Introduced and read first time: January 27, 2003 Rules suspended Assigned to: Education, Health, and Environmental Affairs A BILL ENTITLED 1 AN ACT concerning 2 Certified Public Accountancy - Limited Permits - Firm Ownership by 3 **Nonlicensees** 4 FOR the purpose of authorizing certain individuals who are not licensed to practice certified public accountancy to have an ownership interest in a firm issued a 5 limited permit for the practice of certified public accountancy by the State Board 6 of Public Accountancy under certain circumstances; and generally relating to 7 8 the practice of certified public accountancy. 9 BY repealing and reenacting, with amendments, 10 Article - Business Occupations and Professions 11 Section 2-416 12 Annotated Code of Maryland 13 (2000 Replacement Volume and 2002 Supplement) 14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 15 MARYLAND, That the Laws of Maryland read as follows: **Article - Business Occupations and Professions** 16 17 2-416. The Board may issue a limited permit for the practice of certified public 18 (a) 19 accountancy on a specific job to a partnership if: [each partner is licensed to practice certified public accountancy in 20 (1) 21 this or another state or in a foreign country] A SIMPLE MAJORITY OF THE

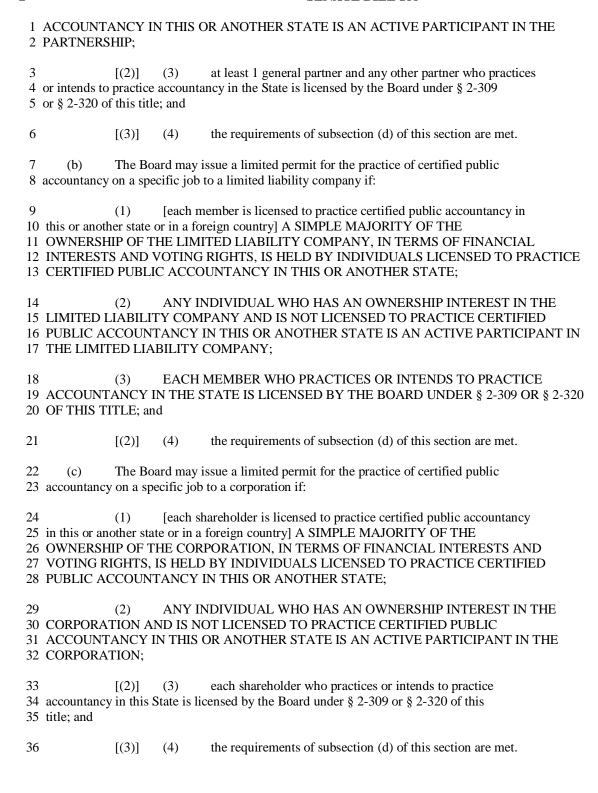
22 OWNERSHIP OF THE PARTNERSHIP, IN TERMS OF FINANCIAL INTERESTS AND 23 VOTING RIGHTS, IS HELD BY INDIVIDUALS LICENSED TO PRACTICE CERTIFIED

26 PARTNERSHIP AND IS NOT LICENSED TO PRACTICE CERTIFIED PUBLIC

ANY INDIVIDUAL WHO HAS AN OWNERSHIP INTEREST IN THE

24 PUBLIC ACCOUNTANCY IN THIS OR ANOTHER STATE;

(2)



## **SENATE BILL 188**

- 1 (d) In order to qualify for a limited permit under this section a corporation, 2 limited liability company, or partnership shall: 3 (1) not have a place of business in this State; 4 (2) submit to the Board an application on the form that the Board 5 provides; and 6 (3) pay to the Board an application fee of \$25. 7 A limited permit authorizes the partnership, limited liability company, or corporation to conduct a business through which certified public accountancy is practiced only for the specific job for which it was issued, as set forth by the Board. 10 (f) (1) The Board shall set the term for each limited permit issued under 11 this section. 12 The term for a limited permit may not be set for more than 1 year and 13 may not exceed the term of a limited license held by a partner, member, or 14 shareholder for the job in question. 15 (3) A limited permit becomes effective and expires on the dates set by the 16 Board. 17 Subject to the hearing provisions of § 2-412 of this title, the Board may (g) 18 deny or revoke a limited permit for any ground as may be applicable under § 2-410 of 19 this title.
- 20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take 21 effect October 1, 2003.