

LCB File No. R169-99

**PROPOSED REGULATION OF THE NEVADA
STATE BOARD OF ACCOUNTANCY**

**NOTICE OF INTENT TO ADOPT AND NOTICE OF HEARING ON PROPOSED
AMENDMENTS TO THE REGULATIONS OF THE NEVADA STATE
BOARD OF ACCOUNTANCY (NAC 628.010-628.510)**

In accordance with the provisions of NRS 628.120, 628.160, 628.200, 628.230, 628.260, 628.280, 628.386, and 628.440, the Nevada State Board of Accountancy is currently in the process of amending its Regulations to bring them into compliance with statutory changes and to reflect changes suggested by the Board.

A copy of the proposed Amendments to the Regulations are available for public inspection at the office of the Nevada State Board of Accountancy, which is located at 200 South Virginia Street, Suite 670, Reno, Nevada 89501, and at the Nevada State Library, State Library Building, 100 Stewart Street, Carson City, Nevada.

The Nevada State Board of Accountancy will hold a public hearing on the Amendments to the Regulations at the following location, at the specified time and date, in order to obtain comments from the accounting profession and general public, and for the purpose of adopting the proposed Amendments to the Regulations:

| <u>LOCATION</u> | <u>TIME</u> | <u>DATE</u> |
|---|-------------|-------------------|
| La Plaza Business Center 4220 S. Maryland Parkway Suite 314, Bldg. B Las Vegas, Nevada | 10:00 a.m. | November 10, 1999 |

Written and oral testimony will be accepted at the public hearing on November 10, 1999. Anyone unable to attend the hearing may submit written testimony to the Nevada State Board of Accountancy, 200 South Virginia Street, Suite 670, Reno, Nevada 89501, at least five (5) days prior to the scheduled public hearing on November 10, 1999.

The proposed Amendments to the Regulations are as follows:

NAC 628.019 – Investigation of criminal history; submission of fingerprints. Corrects reference to Section 1d of NRS 628.190.

NAC 628.020 – Examinations: applications; notice of time and place. Corrects language as to when all official transcripts must be received by the Board, to April 1, to sit for examination schedule for May.

NAC 628.030 – Examinations. Deletes references as to specific subjects in light of changes to

uniform CPA examination.

NAC 628.040 – Examinations: passing grades; conditional credit; excusal; failure to appear. Eliminates reference to advisory grading service of the American Institute of Certified Public Accountants; and deletes reference to conditional credits earned before May 1, 1994.

NAC 628.070 – Certificates by reciprocity; temporary permits. Amended to provide for recognition of holder of an equivalent certificate by a foreign country, who has satisfied the requirements of NRS 628.310(2).

NAC 628.080 – Waiver of Examination. Amended to clarify the continuing education required by an applicant based on waiver of examination (Reciprocity).

NAC 628.090 – Temporary Permit. Amended to cover holder of an equivalent certificate by a foreign country who has satisfied the requirements of NRS 628.310(2).

NAC 628.110 – Retired or inactive status; reinstatement. Amended to allow Board to charge former holder whose certificate has been revoked for annual renewal fee for any year fee not paid prior to revocation on reinstatement.

NAC 628.120 – Fees. Amended to provide that all fees must be paid in U.S. currency and to authorize the Board to each year establish the examination fees, not to exceed \$500 for the initial examination and \$100 for reexamination in each subject area.

NAC 628.140 – Name or proprietorship, partnership, limited liability company or professional corporation. Amended to allow the initials of a present or former partner to be used in name. Alternatively, to allow for fictitious names with certain restrictions thereon.

NAC 628.150 – Affiliations of proprietorships, partnerships, limited-liability companies and corporations. Amended to allow for recognition of holder of an equivalent certificate by a foreign country, who has satisfied the requirements of NRS 628.310(2).

NAC 628.160 – Transfer of shares. Amended to comply with NRS 628.325 which allows for non-CPA ownership, provided a simple majority of ownership belongs to CPAs.

NAC 628.210 – Renewal of permit; exceptions; waiver. Subsection (3) amended to remove exception for reciprocity.

NAC 628.220 – Standards for qualifying programs. Amended to change address for National Association of State Board of Accountancy.

NAC 628.500 – Adoption by reference of Rules of Professional Conduct; exception. Makes permanent the temporary regulation adopted as to commissions, which requires all commissions to be disclosed in writing, and expands the disclosure requirements to provide for the amount of the commission, the name of the persons or entity paying the commission, and to provide for the disclosure to be made contemporaneously with or prior to the referral or recommendation.

The economic effect of the above amendments to the Regulations of the Nevada State Board of Accountancy is nominal.

- a. Beneficial Effect: Brings Regulations into compliance with the statutory changes by 1999 Legislature.
- b. Adverse Effect: None.
- c. The immediate and long-term effects are the same.

The State Board of Accountancy will not incur any cost for these Regulation changes.

Upon adoption of any Regulations, the Nevada State Board of Accountancy, if requested to do so by an interested person, either prior to adoption or within thirty (30) days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

PROPOSED REGULATION OF THE NEVADA STATE BOARD OF ACCOUNTANCY

EXPLANATION – Matter in *italics* is new; matter in brackets ~~⊠~~ is material to be omitted.

AUTHORITY: §1, NRS 628.120, 628.200, 628.250 and 628.280; §§2-3, NRS 628.120 and 628.280.

Section 1. NAC 628.019 is hereby amended to read as follows:

628.019 Investigation of criminal history; submission of fingerprints. Each applicant for certification must:

1. Agree to an investigation of his criminal history to determine whether he is qualified for certification pursuant to subsection ~~⊠~~ *1d* of NRS 628.190; and
2. Submit to the board a complete set of his fingerprints.

Section 2. NAC 628.020 is hereby amended to read as follows:

628.020 Examinations: Applications; notice of time and place.

1. Applications to take the examination for certification as a certified public accountant must be made on a form provided by the board and filed with the board on or before March 1 for the examination scheduled in May and on or before September 1 for the examination scheduled in November. The examinations will be held at locations designated by the board.

2. Each applicant must submit the names of at least three persons, one of whom must be a resident of Nevada and none of whom may be related by blood or marriage to the applicant, who can vouch for the applicant's character. No person may take the examination until the board is satisfied that he is of fiscal integrity and without any history of acts involving dishonesty or moral turpitude.

3. An application is not considered filed until the fee for the examination and all required supporting documents, other than official transcripts, have been received, including photographs ~~[and certification of degree]~~. Official transcripts must be received by the board on or before ~~[March 31]~~ *April 1*, for the examination scheduled in May and on or before October 1 for the examination scheduled in November.

4. An applicant who fails to appear for an examination or reexamination forfeits the fees charged for the examination or reexamination unless the board determines, based on information supplied by the applicant before the scheduled time of the examination, that there existed reasonable cause beyond the applicant's control for the failure to appear.

5. Notice of the time and place of the examination will be mailed to each applicant with the notice of the acceptance of the application.

Section 3. NAC 628.030 is hereby amended to read as follows:

628.030 Examinations ~~[-Subjects-]~~

1. The examination required by NRS 628.190 is the Uniform Certified Public Accountants'

Examination ~~[, which includes the following subjects:~~

- ~~—(a) Auditing;~~
- ~~—(b) Business law and professional responsibilities;~~
- ~~—(c) Financial accounting and reporting, including for business enterprises; and~~
- ~~—(d) Accounting and reporting, including taxation, managerial accounting and auditing for governmental and nonprofit organizations.]~~

2. In addition to the Uniform Certified Public Accountants' Examination, no earlier than 3 years before filing the application for certification as a certified public accountant an applicant must pass an examination in professional ethics which is prescribed by or acceptable to the board.

Section 4. NAC 628.040 is hereby amended to read as follows:

628.040 Examinations: Passing grades; conditional credit; excusal; failure to appear.

1. The passing grade for each subject in the examination is 75 percent. ~~[Subject to the board's final determination, the board will use the Advisory Grading Service of the American Institute of Certified Public Accountants.]~~

2. Except as otherwise provided in subsection 3, an applicant who at one sitting receives a passing grade in any two subjects on the examination is entitled to conditional credit for the subjects passed. Any conditional credit granted pursuant to this section expires if all unpassed subjects on the examination have not been completed within the next six consecutive examinations.

3. At each examination, an applicant must be examined or reexamined in all subjects in which credit for passing has not been previously received. An applicant must receive a minimum score of 50 percent in all subjects not passed to receive conditional credit in the subjects passed.

~~[4.—An applicant who holds conditional credit in a subject earned in an examination held before May 1, 1994, will be granted conditional credit to be applied to an examination held after May 1, 1994, as follows:~~

- ~~—(a) For conditional credit held in auditing, an applicant will be awarded conditional credit in auditing and may retain this credit for the remainder of the period for which the conditional credit in auditing was initially granted;~~
- ~~—(b) For conditional credit held in commercial law, an applicant will be awarded conditional credit in business law and professional responsibilities and may retain this credit for the remainder of the period for which the conditional credit in commercial law was initially granted;~~
- ~~—(c) For conditional credit held in theory of accounts, an applicant will be awarded conditional credit in financial accounting and reporting and may retain this credit for the remainder of the period for which the conditional credit in theory of accounts was initially granted; and~~
- ~~—(d) For conditional credit held in accounting practice, an applicant will be awarded conditional credit in accounting and reporting and may retain this credit for the remainder of the period for which the conditional credit in accounting practice was initially granted.]~~

~~[5.]~~ **4.** An applicant who holds a conditional credit may be excused by the board, for exceptional circumstances, from sitting for an examination. An applicant who wishes to be excused by the board from sitting for an examination must petition the board. If the applicant wishes to be excused because of an illness, the petition must be accompanied by a written statement, signed by the applicant's physician, which sets forth the illness of the applicant.

~~[6.]~~ **5.** If the board approves the petition, it will:

(a) Not consider the examination for which the applicant was excused as an examination for the purposes of subsection 2; and

(b) Refund the examination fee minus the fee to review the application. The board will charge a fee of \$25 to review the application.

~~[7.]~~ **6.** An applicant who fails to appear to sit for an examination or reexamination and is not excused by the board pursuant to subsection 5 is not entitled to a refund of any of the examination fee paid.

Section 5. NAC 628.070 is hereby amended to read as follows:

628.070 Certificates by reciprocity; temporary permits. The board may grant certificates by reciprocity and temporary permits to practice to ~~persons in the following jurisdictions of the United States:~~

~~—1. The District of Columbia;~~

~~—2. The Commonwealth of Puerto Rico;~~

~~—3. The Virgin Islands of the United States; and~~

~~—4. The territory of Guam.]~~ *individuals who are licensed by other jurisdictions of the United States or foreign jurisdictions which are determined to be substantially equivalent under the provisions of NRS 628.310(2).*

Section 6. NAC 628.080 is hereby amended to read as follows:

628.080 Waiver of examination.

1. The examination for a certificate as a certified public accountant will not be waived for an applicant whose certificate as a certified public accountant was based in whole or in part on the entitlement of the applicant to practice public accounting in a foreign country unless the applicant has passed an equivalent examination approved by the board.

2. Every applicant for waiver of the examination must file his application upon a form provided by the board, accompanied by the prescribed fee. If the board waives the examination it will not issue a certificate as a certified public accountant until it has received confirmation from the jurisdiction which issued the certificate that the certificate upon which the waiver is based is current and valid.

3. An applicant must ~~complete~~ *submit* at least 20 hours of continuing education *completed* within 12 months ~~[after the date of filing his application for waiver of the examination. The board may give credit for any program of continuing education which is completed in the 6 months immediately preceding the date of application.]~~ *prior to the date of filing of his application for waiver of the examination.*

Section 7. NAC 628.090 is hereby amended to read as follows:

628.090 Temporary permits.

1. An applicant whose certificate as a certified public accountant was issued by another state jurisdiction of the United States or foreign jurisdiction approved by the board ~~and was based in whole or in part upon the entitlement of the applicant to practice public accounting in a foreign~~

country] is [not] eligible for the issuance of a temporary permit [unless] *provided* the applicant *has passed* [passes] an examination approved by the board that is equivalent to the examination for a certificate as a certified public accountant that is conducted by the board *and is determined to be substantially equivalent under NRS 628.310(2)*.

2. An application for a temporary permit must be in the name of the firm proposing to conduct the engagement and must be executed by the proprietor, partner, member or shareholder responsible for the conduct of the engagement. The person executing the application must have completed at least 80 hours of continuing education in a qualified program during the 2 calendar years immediately preceding the commencement of the engagement.

3. If the applicant is a partnership, a limited-liability company or a corporation of certified public accountants, the applicant must comply with the applicable requirements of NRS 628.325 to 628.370, inclusive.

4. The application must specify the name of the client, the nature of the service to be provided and the anticipated duration of the engagement. A temporary permit is valid for the duration of the engagement or for 6 months, whichever is less. If the engagement is longer than 6 months, new permits must be obtained for each subsequent 6-month period or portion thereof.

5. A resident agent designated pursuant to subsection 3 of NRS 628.440 shall serve for all future engagements of the applicant until the board is advised to the contrary by the agent or by the applicant.

6. Within 30 days after the expiration of a temporary permit, the applicant shall report to the board the names of all persons present in the state and employed in the conduct of the engagement during the period of the permit and shall pay any additional fees prescribed by the board. If reports or fees are delinquent from any prior engagement, the board will not issue any further temporary permits to the applicant for any purpose. Delinquent reports must be accompanied by a delinquency penalty of 25 percent of the sum due for each 30-day period or part thereof during which the reports are delinquent, but a delinquency penalty must not exceed \$500 per report. The board may waive such penalties in whole or in part if there is reasonable cause. All reports made pursuant to this section are subject to audit by the board or its representatives.

7. Applicants, their partners, members, shareholders, employees and affiliates, while practicing under a temporary permit, must comply with the regulations adopted by the board which are effective during the term of the engagement.

Section 8. NAC 628.110 is hereby amended to read as follows:

628.110 Retired or inactive status; reinstatement from voluntary surrender and revocation.

1. The certificate of a certified public accountant or the registration of a public accountant may, upon application to the board by the holder thereof, be placed by the board in retired or inactive status.

2. Any employment related to the financial functions of business or government, including, without limitation, the supervision of such functions, will be considered as active involvement in the accounting profession, and the holder of the certificate or registrant does not qualify for inactive status.

3. A former holder of a certificate or a former registrant may be reinstated into the practice

of public accounting from retired or inactive status by submitting an application to the board accompanied by the fee prescribed in NAC 628.120. The applicant must show that he has completed at least 40 hours of continuing education as described in subsection 1 of NAC 628.210.

4. A former holder of a certificate whose certificate has been voluntarily surrendered to the board must submit:

(a) A new application for licensing accompanied by:

(1) The application fee;

(2) The fee for annual renewal of the permit for any year the fee was not paid before he surrendered the certificate; and

(3) The penalty for late filing for any year fees were not paid before he surrendered the certificate as prescribed in paragraph (e) of subsection 3 of NAC 628.120; and

(b) Proof that he has completed at least 40 hours of continuing education as described in subsection 1 of NAC 628.210.

5. A former holder of a certificate whose certificate has been revoked for nonpayment of fees must submit:

(a) A new application for licensing accompanied by:

(1) The application fee; and

(2) *The fee for annual renewal of the permit for any year the fee was not paid before his certificate was revoked; and*

~~[(2)]~~ (3) *The penalty for late filing for any year fees were not paid before his certificate was revoked as* prescribed in paragraph (1) of subsection 1 of NAC 628.120.

(b) Proof that he has completed at least 80 hours of continuing education programs approved by the board during the 12 months immediately preceding the filing of the new application.

6. For the purposes of this section:

(a) "Inactive status" means the voluntary reversion by a holder of a certificate or a registrant to a nonprofessional status outside the fields of public, private or governmental accounting before reaching the age of retirement; and

(b) "Retired status" means the voluntary termination by a holder of a certificate or a registrant of all activities in the profession of public or private accounting upon the attainment of at least 60 years of age or upon becoming permanently disabled and no longer gainfully employed.

Section 9. NAC 628.120 is hereby amended to read as follows:

628.120 Fees.

1. The following fees for examinations are prescribed by the board, *to be paid in U.S. currency*:

(a) For initial examination for a certificate as a certified public accountant until conditional credit is received, the board will establish each year a fee that will not exceed ~~[\$250]~~ *\$500*

(b) For reexamination after conditional credit is received of the subjects required to receive a certificate as a certified public accountant pursuant to NAC 628.030, the board will establish each year fees that will not exceed \$100 per subject.

(c) For review and inspection of examination papers\$100

(d) For proctoring the Uniform Certified Public Accountant Examination

- administered in this state and taken by a nonresident applicant if that applicant is not required to pay the board a fee for the examination \$75
2. The following fees for applications are prescribed by the board:
- (a) For an application for a certificate as a certified public accountant by reciprocity or pursuant to passing the Uniform Certified Public Accountant Examination administered in this state or in another jurisdiction\$100
plus the actual cost of the investigation required pursuant to NAC 628.019, which will not exceed \$75.
- (b) For an application for registration of a corporation, limited-liability company or partnership\$200
3. The following other fees are prescribed by the board:
- (a) For a temporary permit to a nonresident accounting firm:
The proprietor, partner, member or shareholder responsible
for the conduct of the engagement\$160
Each additional person employed in the conduct of the
engagement during the period of the permit \$25
- (b) For filing an annual report for a corporation, limited-liability company or partnership\$100
- (c) For the late filing of an annual report of a corporation, limited-liability company or partnership \$100
- (d) For reinstatement into public practice from retired or inactive status..... \$250
- (e) For the late filing of the annual renewal of a permit to practice public accounting, after January 31 of each year..... \$100
- (f) For an individual evaluation of experience pursuant to subsection 2 of NAC 628.060, in addition to any reasonable costs of travel actually incurred by the board and imposed pursuant to subsection 3 of NAC 628.060..... \$750
- (g) A uniform fee for an annual permit or an annual renewal of a permit to practice public accounting will be established by the board each year. The fee will not exceed \$160 and will be prorated if an initial annual permit is obtained during the year.

Section 10. NAC 628.140 is hereby amended to read as follows:

628.140 Name of proprietorship, partnership, limited-liability company or professional corporation.

1. The name under which a proprietorship, partnership, limited-liability company or professional corporation engages in the practice of public accounting may:

(a) Contain only the names *or be solely made up of the initials* of the proprietor or one or more of the present or former partners, members or stockholders associated with the firm or its predecessors; and

(b) Not include any fictitious name, indicate specialization or mislead any person as to the nature of the organization.

2. A name of a firm is misleading if the name of the firm:

(a) Implies the existence of a corporation, when the firm is not a corporation, by the use of the abbreviations “P.C.,” “Ltd.” or similar abbreviations.

(b) Implies the existence of a partnership, when the firm is not a partnership, by the use of a

designation similar to “Smith & Jones” or “C.P.A.’s.”

(c) Implies the existence of a limited-liability company, when the firm is not a limited-liability company, by the use of the abbreviations “Ltd.,” “L.L.C.,” “LLC” or “LC.”

(d) Includes the name of a proprietor, partner, member or shareholder who has withdrawn from the firm or, in the case of a corporation, has terminated his employment other than by retirement from public practice or by death, without the written consent of the person who has withdrawn being first obtained by the firm and filed with the board. The name of the proprietor, partner, member or shareholder must be removed from the name of the firm or corporation within 120 days after the withdrawal or termination.

(e) Implies more than one principal, when there is only one shareholder, one member or one proprietor, by the use of a designation similar to “Smith & Co.,” “Smith & Assoc.” or “Smith Group.”

3. A proprietorship, partnership, limited-liability company or corporation engaged in the practice of public accounting may not render professional services using a name other than that which is stated in its certificate of registration.

Section 11. NAC 628.150 is hereby amended to read as follows:

628.150 Affiliations of proprietorships, partnerships, limited-liability companies and corporations.

1. Proprietorships, partnerships, limited-liability companies and corporations holding certificates of registration to practice as certified public accountants may affiliate with other partnerships, partnerships of partnerships, limited-liability companies or corporations for the practice of public accounting if all proprietors, partners, members or shareholders of the affiliated firms in the practice of public accounting in the United States or its territories are:

(a) certified public accountants in good standing in some other state or territory of the United States ~~and~~,

(b) *a natural person who is not a CPA whose ownership is in accordance with NRS 638.325(5), or*

(c) *Certified Public Accountants who hold a foreign designation determined to be substantially equivalent to a Certified Public Accountant in the United States as provided under NRS 628.310(2).*

2. Proprietorships, partnerships, limited-liability companies and corporations holding permits to practice as public accountants may affiliate with other partnerships, partnerships of partnerships, limited-liability companies or corporations for the practice of public accounting if all proprietors, partners, members or shareholders of affiliated firms regularly engaged in the practice of public accounting in the State of Nevada are public accountants or certified public accountants holding a live permit in this state and all other proprietors, partners, members or shareholders of the affiliated firms in the practice of public accounting in the United States or its territories are certified public accountants in good standing in some other state or territory of the United States.

Section 12. NAC 628.160 is hereby amended to read as follows:

628.160 Transfer of shares.

1. The personal representative or estate of a ~~shareholder~~ *practitioner* who has died or

become legally incompetent or ~~[a shareholder]~~ who is disqualified from practicing public accounting must sell the stock to the remaining shareholders or the corporation not later than 6 months after the death or incompetency of the shareholder or not later than 120 days after the shareholder becomes disqualified *if the ownership by the personal representative, estate or beneficiaries will result in a simple majority of ownership not being held by Certified Public Accountants.*

2. All restrictions on the ownership and transfer of the stock of a corporation must be set forth in the articles of incorporation or the bylaws of the corporation.

3. The certificates of stock of a corporation organized for the practice of public accounting must contain an appropriate legend stating that the ownership and transfer of the stocks are restricted and must identify the appropriate section of the bylaws or articles of incorporation relating thereto.

Section 13. NAC 628.210 is hereby amended to read as follows:

628.210 Renewal of permit; exceptions; waiver.

1. An applicant for the renewal of a permit to engage in the practice of public accounting must show that he has completed at least 80 hours of continuing education during the 2 years immediately preceding the date for renewal of the permit, of which at least 20 hours were completed in each year.

2. An applicant who has previously held a permit, but whose permit has, at the time of application, lapsed, must adhere to the educational requirements in subsection 1 during the 2 years immediately preceding the date he applies for the permit.

3. ~~[Except for a holder of a certificate based on reciprocity,]~~ ~~[a]~~ An applicant seeking the first annual renewal of an initial permit is exempt from the requirements of NAC 628.210 to 628.250, inclusive.

4. The requirements of NAC 628.210 to 628.250, inclusive, may be waived by the board for reasons of personal hardship including health, military service, foreign residence, retirement or other good cause.

Section 14. NAC 628.220 is hereby amended to read as follows:

628.220 Standards for qualifying programs.

1. A program qualifies as a program of continuing education if it:

(a) Is a formal program of learning which contributes to a growth in professional knowledge and the competence of a person engaged in the practice of public accounting;

(b) Meets the minimum standards of quality of development, presentation, measurement and the reporting of credits set forth in the "Statement on Standards for Formal Continuing Education Programs" published by the National Association of State Boards of Accountancy, as it exists on May 13, 1982, or other educational standards which may be established by the board;

(c) Requires attendance or is a program for individual study;

(d) Is at least 1 hour in length;

(e) Is conducted by a qualified instructor or leader of discussions;

(f) Is a postsecondary course of education or educational seminar;

(g) Requires a record of attendance if it is not a program for individual study; and

(h) Requires a written outline to be retained.

2. A copy of the statement may be obtained at no cost from the National Association of State Boards of Accountancy, ~~[380 Lexington Avenue, Suite 200, New York, N.Y. 10168-0002]~~ *150 Fourth Avenue North, Suite 700, Nashville, Tennessee 37219-2417.*

Section 15. NAC 628.500 is hereby amended to read as follows:

628.500 Adoption by reference of Rules of Professional Conduct; exceptions.

1. The board hereby adopts by reference the Rules of Professional Conduct adopted by the American Institute of Certified Public Accountants, as those rules existed on February 1, 1993, with the following exceptions:

(a) References to “member” are amended to refer to “practitioner.”

(b) The definition of “financial statements” in ET Section 92 is amended to read as follows:

(1) “Financial statements” means:

(I) Any statements or footnotes related thereto that purport to demonstrate the financial condition of a person at a particular time or the change in a person’s financial condition during a particular period; or

(II) Any statements prepared using a cash or other comprehensive basis of accounting.

(2) The term includes balance sheets, statements of income, statements of retained earnings, statements of cash flows and statements of changes in equity.

(3) The term does not include incidental financial data that is included in reports concerning advisory services for management made to support recommendations to a client, tax returns or schedules in support of a tax return, or the statement, affidavit or signature of the person who prepares a tax return.

(c) The definition of “practice of public accounting” in ET Section 92 is amended to have the meaning ascribed to it in NRS 628.023.

(d) ~~[Rule 503 is deleted.]~~ *Rule 503 is adopted, with the requirement that the disclosure required pursuant to Section B include the amount of the commission, the name of the person or entity paying the commission, and be made in writing contemporaneously with or prior to the referral or recommendation and shall be signed and dated.*

(e) The statement, affidavit or signature of the preparer of a tax return does not constitute an opinion on a financial statement, and the preparer of the tax return is not required to make a disclaimer of such an opinion.

2. A copy of the Rules of Professional Conduct may be obtained from the American Institute of Certified Public Accountants, Harborside Financial Center, 201 Plaza Three, Jersey City, NJ 07311-3881 ~~[, at a cost of \$5].~~