

SENATE BILL NO. 437—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE OFFICE OF FINANCE  
IN THE OFFICE OF THE GOVERNOR)

MARCH 27, 2023

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing accountants.  
(BDR 54-1079)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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

AN ACT relating to accountants; revising provisions governing the registration by the Nevada State Board of Accountancy of partnerships, corporations, limited-liability companies and sole proprietorships; revising requirements for a person to take an examination for and to obtain a certificate of certified public accountant; removing the requirement that the Board charge a fee for an examination for a certificate of certified public accountant; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law requires a person seeking a certificate of certified public  
2 accountant to meet certain requirements relating to education and work experience,  
3 including the completion of 2 years of public accounting experience in a  
4 partnership, corporation, limited-liability company or sole proprietorship engaged  
5 in the practice of public accounting. Existing law authorizes the Nevada State  
6 Board of Accountancy to prescribe by regulation for the substitution of certain  
7 qualified programs of continued education to satisfy partially the requirements for  
8 work experience. (NRS 628.200) **Section 2** of this bill replaces the requirement to  
9 obtain 2 years of work experience with a requirement to complete not less than  
10 2,000 hours of work experience in a period of not less than 1 year. **Section 2** also  
11 removes the authority of the Board to adopt regulations providing for substitute  
12 programs of continuing education to satisfy the requirements for work experience.

13 Existing law provides that a candidate for a certificate of certified public  
14 accountant who meets certain educational requirements is eligible to take the  
15 examination for the certificate before completing the requirements for work  
16 experience if the candidate is without any history of acts involving dishonesty or



17 moral turpitude. (NRS 628.190, 628.240) **Section 3** of this bill removes the  
18 requirement that the candidate must not have any history of acts involving  
19 dishonesty or moral turpitude. Existing law requires the Board to charge a  
20 candidate a fee for the examination. (NRS 628.280) **Section 4** of this bill  
21 authorizes, rather than requires, the Board to charge an examination fee.

22 Existing law authorizes the Board to waive the requirement that an applicant  
23 for a certificate take an examination if the applicant satisfies certain requirements,  
24 including having experience in the practice of public accountancy either as a  
25 certified public accountant or as a staff accountant under certain circumstances.  
26 (NRS 628.310) **Section 5** of this bill authorizes the Board to waive the examination  
27 for a person who has experience in the practice of public accountancy, private  
28 industry or the federal, state or local government, while holding a certificate as a  
29 certified public accountant for more than 4 of the immediately preceding 10 years.

30 Existing law grants practice privileges in this State to a natural person who  
31 holds a valid license as a certified public accountant in another state. Such a natural  
32 person is not required to obtain a certificate of certified public accountant or a  
33 permit to engage in the practice of public accounting from the Board but is required  
34 to consent to certain specified conditions, including consent to the disciplinary  
35 authority of the Board. (NRS 628.315) **Section 6** of this bill extends the authority  
36 of the Board to grant such practice privileges to a certified public accounting firm  
37 organized as a partnership, corporation or limited-liability company or a sole  
38 proprietorship which holds a valid registration in good standing from another state.  
39 Such a certified public accounting firm is not required to register with the Board  
40 but is required to consent to the same conditions as natural persons, such as consent  
41 to the disciplinary authority of the Board. **Sections 1 and 8-20** of this bill make  
42 conforming changes to account for the Board's authority to grant practice privileges  
43 to those entities. **Sections 8-10** of this bill also require those entities which are  
44 organized as a partnership, corporation or limited-liability company to maintain an  
45 office in this State.

46 **Section 7** of this bill exempts certain entities whose sole business is preparing  
47 tax returns and related schedules from the requirement of registration.

48 **Section 21** of this bill repeals the definition of "home office" which is rendered  
49 obsolete by the changes made by **sections 6 and 7**.

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 628.023 is hereby amended to read as follows:  
2 628.023 "Practice of public accounting" means the offering to  
3 perform or the performance by a holder of a live permit or a natural  
4 person *or certified public accounting firm* granted practice  
5 privileges pursuant to NRS 628.315, for a client or potential client,  
6 of one or more services involving the use of skills in accounting or  
7 auditing, one or more services relating to advising or consulting  
8 with clients on matters relating to management or the preparation of  
9 tax returns and the furnishing of advice on matters relating to taxes.

10 **Sec. 2.** NRS 628.200 is hereby amended to read as follows:  
11 628.200 1. Except as otherwise provided in subsection 4, the  
12 requirements of education for a certificate of certified public  
13 accountant are:



1 (a) At least 150 semester hours or an equivalent number of  
2 quarter hours; and

3 (b) A baccalaureate degree or an equivalent degree from a  
4 college or university recognized by the Board:

5 (1) With a major in accounting, or what the Board  
6 determines to be substantially the equivalent of a major in  
7 accounting; or

8 (2) With a major other than accounting supplemented by  
9 what the Board determines to be substantially the equivalent of an  
10 accounting major, including related courses in other areas of  
11 business administration.

12 2. The requirement for work experience for a certificate of  
13 certified public accountant is:

14 (a) ~~Two years~~ *Not less than 2,000 hours accumulated over a*  
15 *period of not less than 1 year* of public accounting experience in a  
16 partnership, corporation, limited-liability company or sole  
17 proprietorship engaged in the practice of public accounting under  
18 the direct supervision of a person who is a certified public  
19 accountant; or

20 (b) Other work experience under the direct supervision of a  
21 person engaged in active practice as a certified public accountant, of  
22 a character and for a length of time sufficient in the opinion of the  
23 Board to be substantially equivalent to the requirements of  
24 paragraph (a).

25 3. The Board ~~is~~:

26 ~~—(a) Shall~~ *shall* adopt regulations concerning:

27 ~~(1)~~ (a) The number of semester hours or an equivalent  
28 number of quarter hours in accounting and other courses required by  
29 an applicant to satisfy the requirements of subsection 1.

30 ~~(2)~~ (b) The public accounting experience or other work  
31 experience required by an applicant to satisfy the requirements of  
32 subsection 2.

33 ~~[(b) May provide by regulation for the substitution of qualified~~  
34 ~~programs of continuing education to satisfy partially the~~  
35 ~~requirement of work experience described in paragraph (b) of~~  
36 ~~subsection 2 or may add any program to the requirement of work~~  
37 ~~experience.]~~

38 4. Notwithstanding any provision of this section to the  
39 contrary, an applicant for a certificate of certified public accountant  
40 who has received conditional credit pursuant to NRS 628.260 for  
41 passing a section of the examination required for a certificate, and  
42 who applies that credit to subsequent passage of the examination, is  
43 subject to the educational requirements to receive a certificate that  
44 were in effect on the date on which the applicant passed all sections  
45 of the examination.



1       **Sec. 3.** NRS 628.240 is hereby amended to read as follows:  
2       628.240 A candidate for a certificate of certified public  
3 accountant who has met the educational requirements as prescribed  
4 by the Board pursuant to NRS 628.230 is eligible to take the  
5 examination without waiting until he or she meets the requirements  
6 of work experience . ~~if the candidate also meets the requirements of~~  
7 ~~paragraph (a) of subsection 1 of NRS 628.190.]~~

8       **Sec. 4.** NRS 628.280 is hereby amended to read as follows:  
9       628.280 1. The Board ~~shall~~ *may* charge each candidate for a  
10 certificate of certified public accountant a fee, to be determined by  
11 the Board by regulation, for the examination prescribed by the  
12 Board.

13       2. The applicable fee must be paid by the candidate at the time  
14 he or she applies for examination.

15       **Sec. 5.** NRS 628.310 is hereby amended to read as follows:  
16       628.310 1. The Board may waive the examination, the  
17 requirements for education or the requirements for work experience,  
18 or any combination thereof, required under NRS 628.190, and may  
19 issue a certificate as a certified public accountant to any person who  
20 is the holder of a certificate as a certified public accountant then in  
21 effect issued under the laws of any state or other jurisdiction of the  
22 United States approved by the Board, constituting a recognized  
23 qualification for the practice of public accounting comparable to that  
24 of a certified public accountant of this State, if:

25       (a) The person has passed an examination that is substantially  
26 the same as the examination conducted pursuant to NRS 628.230  
27 with a grade that would have been a passing grade in this State on  
28 the date on which the person received his or her original certificate;

29       (b) The person has experience in the practice of public  
30 accountancy, ~~either as a certified public accountant or as a staff~~  
31 ~~accountant employed by a partnership, corporation, limited liability~~  
32 ~~company or sole proprietorship engaged in the practice of public~~  
33 ~~accounting and working under the direct supervision of a person~~  
34 ~~who is a certified public accountant,] private industry or the~~  
35 *federal, state or local government*, while holding a certificate as a  
36 certified public accountant for more than 4 of the 10 years  
37 immediately preceding his or her making application pursuant to  
38 this chapter; and

39       (c) The requirements for education of the state or other  
40 jurisdiction from which the person received his or her original  
41 certificate are determined by the Board to satisfy the requirements  
42 for education of this State.

43       2. The Board may issue a certificate as a certified public  
44 accountant to any person who is the holder of an equivalent  
45 certificate then in effect issued by a foreign country if:



1 (a) Persons who are certified as public accountants in this State  
2 are granted similar privileges by the foreign country in which the  
3 applicant is certified;

4 (b) The applicant's certificate:

5 (1) Was issued by the appropriate authority that regulates the  
6 practice of public accountancy in the foreign country in which the  
7 certificate was issued;

8 (2) Has not expired or been revoked or suspended; and

9 (3) Authorizes the applicant to issue reports upon financial  
10 statements;

11 (c) The requirements for education and examination of the  
12 regulatory authority of the foreign country were substantially  
13 equivalent to the requirements for education and examination of this  
14 State on the date on which the applicant received his or her  
15 certificate;

16 (d) The applicant:

17 (1) Complied with requirements for experience in the foreign  
18 country in which the certificate was issued that are substantially  
19 equivalent to the requirements set forth in NRS 628.200; or

20 (2) Has completed in any state at least 4 years of public  
21 accounting experience, or equivalent experience determined to be  
22 appropriate by the Board, within the 10 years immediately  
23 preceding his or her making application for certification in this  
24 State;

25 (e) The applicant has passed a written examination on national  
26 standards for public accounting and ethics that is acceptable to the  
27 Board; and

28 (f) The applicant submits with the application a list of all  
29 jurisdictions in which he or she has applied for and received a  
30 certificate to practice public accounting.

31 3. A person who is granted a certificate as a certified public  
32 accountant pursuant to subsection 2 shall notify the Board, in  
33 writing, within 30 days after:

34 (a) The person is issued an equivalent certificate to practice  
35 public accounting by another jurisdiction or is denied the issuance  
36 of such a certificate;

37 (b) A certificate to practice public accounting issued to the  
38 person by another jurisdiction is revoked or suspended; or

39 (c) Another jurisdiction in which the person is certified to  
40 practice public accounting commences any type of disciplinary  
41 action against the person.

42 **Sec. 6.** NRS 628.315 is hereby amended to read as follows:

43 628.315 1. Except as otherwise provided in this chapter, a  
44 natural person who holds a valid license *in good standing* as a  
45 certified public accountant *or a certified public accounting firm*



1 *organized as a partnership, corporation, limited-liability company*  
2 *or sole proprietorship that holds a valid registration in good*  
3 *standing* from any state other than this State shall be deemed to be a  
4 certified public accountant *or a certified public accounting firm* for  
5 all purposes under the laws of this State other than this chapter.

6 2. A natural person *or certified public accounting firm* granted  
7 practice privileges pursuant to subsection 1 is not required to obtain  
8 ~~it~~, *as applicable:*

9 (a) A certificate pursuant to NRS 628.190; ~~for~~

10 (b) A permit pursuant to NRS 628.380 ~~it~~; *or*

11 (c) *A registration pursuant to NRS 628.335.*

12 3. A natural person *or certified public accounting firm* granted  
13 practice privileges pursuant to subsection 1 and a partnership,  
14 corporation, limited-liability company or sole proprietorship that  
15 employs such a *natural person or a certified public accounting*  
16 *firm granted practice privileges pursuant to subsection 1* shall be  
17 deemed to consent, as a condition of the grant of such practice  
18 privileges:

19 (a) To the personal and subject matter jurisdiction, and  
20 disciplinary authority, of the Board.

21 (b) To comply with the provisions of this chapter and the  
22 regulations of the Board.

23 (c) That, in the event that the license from the state wherein the  
24 ~~natural person's~~ principal place of business *of the natural person*  
25 *or certified public accounting firm* is located becomes invalid ~~it~~  
26 ~~the~~ *or not in good standing:*

27 (1) *The* natural person will cease offering or engaging in the  
28 practice of ~~professional~~ *public* accounting in this State  
29 individually and on behalf of a partnership, corporation, limited-  
30 liability company or sole proprietorship ~~it~~; *or*

31 (2) *The certified public accounting firm will cease offering*  
32 *or engaging in the practice of public accounting in this State.*

33 (d) To the appointment of the state board that issued the license  
34 as the agent upon whom process may be served in any investigation,  
35 action or proceeding *by the Board* relating to ~~the~~:

36 (1) *The* natural person or the partnership, corporation,  
37 limited-liability company or sole proprietorship ~~by the Board.~~

38 ~~4. A natural person granted practice privileges pursuant to~~  
39 ~~subsection 1 may perform attest services for a client having his or~~  
40 ~~her home office in this State only if the partnership, corporation,~~  
41 ~~limited liability company or sole proprietorship that employs the~~  
42 ~~person is registered pursuant to NRS 628.335.] that employs the~~  
43 ~~natural person; or~~  
44 (2) *The certified public accounting firm.*



**Sec. 7.** NRS 628.335 is hereby amended to read as follows:

628.335 1. The Board shall grant or renew registration to a partnership, corporation, limited-liability company or sole proprietorship that demonstrates its qualifications therefor in accordance with this chapter.

2. ~~[A]~~ *Except as otherwise provided in subsection 3, a* partnership, corporation or limited-liability company with an office in this State shall register with the Board if the partnership, corporation or limited-liability company:

(a) Performs attest services;

(b) Performs compilation services;

(c) Is engaged in the practice of public accounting; or

(d) Is styled and known as a certified public accountant or uses the abbreviation "C.P.A."

3. ~~[A]~~ *An entity that is organized as a* partnership, corporation, limited-liability company or sole proprietorship ~~[that does] is~~ not ~~[have an office in this State:~~

~~—(a) Shall register with the Board if the partnership, corporation, limited liability company or sole proprietorship performs attest services for a client having his or her home office in this State.~~

~~—(b) May practice public accounting, may perform compilation services or other professional services within the practice of public accounting other than attest services for a client having his or her home office in this State, may be] required to register pursuant to this section if:~~

(a) *The entity is not* styled ~~[and]~~ or known as a *firm of* certified public ~~[accountant and may use] accountants;~~

(b) *The entity is not using* the title or designation "certified public accountant" ~~[and]~~ or the abbreviation "C.P.A." ~~[without registering with the Board if:~~

~~—(1) Persons who are certified public accountants in any state constitute a simple majority, in terms of financial interests and voting rights of all partners, shareholders, officers, members and principals thereof, of the ownership of the partnership, corporation, limited liability company or]; and~~

(c) *The* sole ~~[proprietorship;~~

~~—(2) The partnership, corporation, limited liability company or sole proprietorship complies with the provisions of subsection 5 of NRS 628.325, if applicable;~~

~~—(3) A natural person granted practice privileges pursuant to NRS 628.315 practices such public accounting or performs such compilation services or such other professional services within the practice of public accounting for the client having his or her home office] *business of the entity is preparing tax returns or schedules* in ~~[this State; and~~~~



~~(4) The partnership, corporation, limited liability company or sole proprietorship can lawfully perform such services in the state where the natural person described in subparagraph (3) has his or her principal place of business.~~

~~4. A natural person granted practice privileges pursuant to NRS 628.315 must not be required to obtain a permit from this State pursuant to NRS 628.380 if the person performs such professional services for:~~

~~(a) Which a partnership, corporation, limited liability company or sole proprietorship is required to register pursuant to subsection 2 or 3; or~~

~~(b) A partnership, corporation or limited liability company registered pursuant to the provisions of NRS 628.325.] support of tax returns.~~

**Sec. 8.** NRS 628.340 is hereby amended to read as follows:

628.340 1. A partnership required *or otherwise seeking* to register with the Board pursuant to NRS 628.335 must meet the following requirements:

(a) At least one general partner must be ~~[either]~~ a certified public accountant of this State in good standing . ~~[or, if the partnership is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural person granted practice privileges pursuant to NRS 628.315.]~~

(b) Each partner who is a resident of this State and is personally and regularly engaged within this State in the practice of public accounting as a member thereof, or whose principal place of business is in this State and who is engaged in the practice of ~~[professional]~~ *public* accounting in this State, must be a certified public accountant of this State in good standing.

(c) Each partner who is personally and regularly engaged in the practice of public accounting in this State must be ~~[either]~~ a certified public accountant of this State in good standing . ~~[or, if the partnership is required to register pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural person granted practice privileges pursuant to NRS 628.315.]~~

(d) Each partner who is regularly engaged in the practice of public accounting within the United States must be a certified public accountant in good standing of some state or jurisdiction of the United States.

(e) Each manager in charge of an office of the partnership in this State must be ~~[either]~~ a certified public accountant of this State in good standing . ~~[or a natural person granted practice privileges pursuant to NRS 628.315.]~~

(f) *The partnership maintains an office in this State.*





1 (g) A corporation or limited-liability company which is  
2 registered pursuant to NRS 628.343 or 628.345 may be a partner,  
3 and a partnership which is registered pursuant to this section may be  
4 a general partner, in a partnership engaged in the practice of public  
5 accounting.

6 2. Application for registration must be made upon the affidavit  
7 of ~~either~~ a general partner who holds a live permit to practice in  
8 this State as a certified public accountant . ~~for, if the partnership is~~  
9 ~~required to register pursuant to paragraph (a) of subsection 3 of NRS~~  
10 ~~628.335, a natural person granted practice privileges pursuant to~~  
11 ~~NRS 628.315.]~~ The Board shall determine whether the applicant is  
12 eligible for registration and may charge an initial fee and an annual  
13 renewal fee set by the Board by regulation. A partnership which is  
14 so registered may use the words "certified public accountants" or  
15 the abbreviation "C.P.A.'s" or "CPA's" in connection with its  
16 partnership name. Notice must be given to the Board within 1 month  
17 after the admission to or withdrawal of a partner from any  
18 partnership so registered.

19 **Sec. 9.** NRS 628.343 is hereby amended to read as follows:

20 628.343 1. A corporation required *or otherwise seeking* to  
21 register with the Board pursuant to NRS 628.335 shall comply with  
22 the following requirements:

23 (a) The sole purpose and business of the corporation must be to  
24 furnish to the public services not inconsistent with this chapter or  
25 the regulations of the Board, except that the corporation may invest  
26 its money in a manner not incompatible with the practice of public  
27 accounting.

28 (b) The principal officer of the corporation and any officer or  
29 director having authority over the practice of public accounting by  
30 the corporation must be a certified public accountant of ~~[some state]~~  
31 *this State* in good standing.

32 (c) At least one shareholder of the corporation must be ~~either~~ a  
33 certified public accountant of this State in good standing . ~~for, if the~~  
34 ~~corporation is required to register pursuant to paragraph (a) of~~  
35 ~~subsection 3 of NRS 628.335, a natural person granted practice~~  
36 ~~privileges pursuant to NRS 628.315.]~~

37 (d) Each manager in charge of an office of the corporation in  
38 this State and each shareholder or director who is regularly and  
39 personally engaged within this State in the practice of public  
40 accounting must be ~~either~~ a certified public accountant of this  
41 State in good standing . ~~for, if the corporation is required to register~~  
42 ~~pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural~~  
43 ~~person granted practice privileges pursuant to NRS 628.315.]~~

44 (e) In order to facilitate compliance with the provisions of this  
45 section relating to the ownership of stock, there must be a written



1 agreement binding the shareholders or the corporation to purchase  
2 any shares offered for sale by, or not under the ownership or  
3 effective control of, a qualified shareholder. The corporation may  
4 retire any amount of stock for this purpose, notwithstanding any  
5 impairment of its capital, so long as one share remains outstanding.

6 (f) *The corporation maintains an office in this State.*

7 (g) The corporation shall comply with other regulations  
8 pertaining to corporations practicing public accounting in this State  
9 adopted by the Board.

10 2. Application for registration must be made upon the affidavit  
11 of ~~either~~ a shareholder who holds a live permit to practice in this  
12 State as a certified public accountant . ~~for, if the corporation is~~  
13 ~~required to register pursuant to paragraph (a) of subsection 3 of NRS~~  
14 ~~628.335, a natural person granted practice privileges pursuant to~~  
15 ~~NRS 628.315.]~~ The Board shall determine whether the applicant is  
16 eligible for registration and may charge an initial fee and an annual  
17 renewal fee set by the Board by regulation. A corporation which is  
18 so registered may use the words “certified public accountants” or  
19 the abbreviation “C.P.A.’s” or “CPA’s” in connection with its  
20 corporate name. Notice must be given to the Board within 1 month  
21 after the admission to or withdrawal of a shareholder from any  
22 corporation so registered.

23 **Sec. 10.** NRS 628.345 is hereby amended to read as follows:

24 628.345 1. A limited-liability company required *or otherwise*  
25 *seeking* to register with the Board pursuant to NRS 628.335 shall  
26 comply with the following requirements:

27 (a) The sole purpose and business of the limited-liability  
28 company must be to furnish to the public services not inconsistent  
29 with this chapter or the regulations of the Board, except that the  
30 limited-liability company may invest its money in a manner not  
31 incompatible with the practice of public accounting.

32 (b) The manager, if any, of the limited-liability company must  
33 be a certified public accountant of ~~some state~~ *this State* in good  
34 standing.

35 (c) At least one member of the limited-liability company must  
36 be ~~either~~ a certified public accountant of this State in good  
37 standing . ~~for, if the limited liability company is required to register~~  
38 ~~pursuant to paragraph (a) of subsection 3 of NRS 628.335, a natural~~  
39 ~~person granted practice privileges pursuant to NRS 628.315.]~~

40 (d) Each person in charge of an office of the limited-liability  
41 company in this State and each member who is regularly and  
42 personally engaged within this State in the practice of public  
43 accounting must be ~~either~~ a certified public accountant of this  
44 State in good standing . ~~for, if the limited liability company is~~  
45 ~~required to register pursuant to paragraph (a) of subsection 3 of~~



1 ~~NRS 628.335, a natural person granted practice privileges pursuant~~  
2 ~~to NRS 628.315.]~~

3 (e) In order to facilitate compliance with the provisions of this  
4 section relating to the ownership of interests, there must be a written  
5 agreement binding the members or the limited-liability company to  
6 purchase any interest offered for sale by, or not under the ownership  
7 or effective control of, a qualified member.

8 (f) *The limited-liability company maintains an office in this*  
9 *State.*

10 (g) The limited-liability company shall comply with other  
11 regulations pertaining to limited-liability companies practicing  
12 public accounting in this State adopted by the Board.

13 2. Application for registration must be made upon the affidavit  
14 of the manager or a member of the limited-liability company. The  
15 affiant must hold a live permit to practice in this State as a certified  
16 public accountant . ~~for, if the limited liability company is required~~  
17 ~~to register pursuant to paragraph (a) of subsection 3 of NRS~~  
18 ~~628.335, be a natural person granted practice privileges pursuant to~~  
19 ~~NRS 628.315.]~~ The Board shall determine whether the applicant is  
20 eligible for registration and may charge an initial fee and an annual  
21 renewal fee set by the Board by regulation. A limited-liability  
22 company which is so registered may use the words “certified public  
23 accountants” or the abbreviation “C.P.A.’s” or “CPA’s” in  
24 connection with its name. Notice must be given to the Board within  
25 1 month after the admission to or withdrawal of a member from any  
26 limited-liability company so registered.

27 **Sec. 11.** NRS 628.390 is hereby amended to read as follows:

28 628.390 1. After giving notice and conducting a hearing, the  
29 Board may revoke, or may suspend for a period of not more than 5  
30 years, any certificate issued under NRS 628.190 to 628.310,  
31 inclusive, any practice privileges granted pursuant to NRS 628.315  
32 ~~or 628.335]~~ or any registration of a partnership, corporation,  
33 limited-liability company, sole proprietorship or office, or may  
34 revoke, suspend or refuse to renew any permit issued under NRS  
35 628.380, or may publicly censure the holder of any permit,  
36 certificate or registration or any natural person *or certified public*  
37 *accounting firm* granted practice privileges pursuant to NRS  
38 628.315, for any one or any combination of the following causes:

39 (a) Fraud or deceit in obtaining a certificate as a certified public  
40 accountant or in obtaining a permit to practice public accounting  
41 under this chapter.

42 (b) Dishonesty, fraud or gross negligence by a certified public  
43 accountant , ~~or]~~ a natural person *or a certified public accounting*  
44 *firm* granted practice privileges pursuant to NRS 628.315.

45 (c) Violation of any of the provisions of this chapter.



1 (d) Violation of a regulation or rule of professional conduct  
2 adopted by the Board under the authority granted by this chapter.

3 (e) Conviction of a felony relating to the practice of public  
4 accounting under the laws of any state or jurisdiction.

5 (f) Conviction of any crime:

6 (1) An element of which is dishonesty or fraud; or

7 (2) Involving moral turpitude,

8 ↪ under the laws of any state or jurisdiction.

9 (g) Cancellation, revocation, suspension, placing on probation or  
10 refusal to renew authority to practice as a certified public accountant  
11 by any other state, for any cause . ~~Other than failure to pay an  
12 annual registration fee or to comply with requirements for  
13 continuing education or review of his or her practice in the other  
14 state.~~

15 (h) Suspension, revocation or placing on probation of the right  
16 to practice before any state or federal agency.

17 (i) Unless the person has been placed on inactive or retired  
18 status, failure to obtain an annual permit under NRS 628.380,  
19 within:

20 (1) Sixty days after the expiration date of the permit to  
21 practice last obtained or renewed by the holder of a certificate; or

22 (2) Sixty days after the date upon which the holder of a  
23 certificate was granted the certificate, if no permit was ever issued  
24 to the person, unless the failure has been excused by the Board.

25 (j) Conduct discreditable to the profession of public accounting  
26 or which reflects adversely upon the fitness of the person to engage  
27 in the practice of public accounting.

28 (k) Making a false or misleading statement in support of an  
29 application for a certificate or permit of another person.

30 (l) Committing an act in another state or jurisdiction which  
31 would be subject to discipline in that state.

32 2. After giving notice and conducting a hearing, the Board may  
33 deny an application to take the examination prescribed by the Board  
34 pursuant to NRS 628.190, deny a person admission to such an  
35 examination, invalidate a grade received for such an examination or  
36 deny an application for a certificate issued pursuant to NRS 628.190  
37 to 628.310, inclusive, to a person who has:

38 (a) Made any false or fraudulent statement, or any misleading  
39 statement or omission relating to a material fact in an application:

40 (1) To take the examination prescribed by the Board pursuant  
41 to NRS 628.190; or

42 (2) For a certificate issued pursuant to NRS 628.190 to  
43 628.310, inclusive;



1 (b) Cheated on an examination prescribed by the Board pursuant  
2 to NRS 628.190 or any such examination taken in another state or  
3 jurisdiction of the United States;

4 (c) Aided, abetted or conspired with any person in a violation of  
5 the provisions of paragraph (a) or (b); or

6 (d) Committed any combination of the acts set forth in  
7 paragraphs (a), (b) and (c).

8 3. In addition to other penalties prescribed by this section, the  
9 Board may impose a civil penalty of not more than \$5,000 for each  
10 violation of this section.

11 4. The Board shall not privately censure the holder of any  
12 permit or certificate or any natural person *or certified public*  
13 *accounting firm* granted practice privileges pursuant to  
14 NRS 628.315.

15 5. An order that imposes discipline and the findings of fact and  
16 conclusions of law supporting that order are public records.

17 **Sec. 12.** NRS 628.430 is hereby amended to read as follows:

18 628.430 All statements, records, schedules, working papers  
19 and memoranda made by a certified public accountant or a natural  
20 person *or certified public accounting firm* granted practice  
21 privileges pursuant to NRS 628.315 incident to or in the course of  
22 professional service to clients by the accountant, except reports  
23 submitted by a certified public accountant or a natural person *or*  
24 *certified public accounting firm* granted practice privileges  
25 pursuant to NRS 628.315 to a client, are the property of the  
26 accountant, in the absence of an express agreement between the  
27 accountant and the client to the contrary. No such statement, record,  
28 schedule, working paper or memorandum may be sold, transferred  
29 or bequeathed, without the consent of the client or the client's  
30 personal representative or assignee, to anyone other than one or  
31 more surviving partners or new partners of the accountant or to his  
32 or her corporation.

33 **Sec. 13.** NRS 628.435 is hereby amended to read as follows:

34 628.435 1. A practitioner shall comply with all professional  
35 standards for accounting and documentation related to an attestation  
36 applicable to particular engagements.

37 2. Except as otherwise provided in this section and in all  
38 professional standards for accounting and documentation related to  
39 an attestation applicable to particular engagements, a practitioner  
40 shall retain all documentation related to an attestation for not less  
41 than 5 years after the date of the report containing the attestation.

42 3. Documentation related to an attestation that, at the end of the  
43 retention period set forth in subsections 1 and 2, is a part of or  
44 subject to a pending investigation of, or disciplinary action against,  
45 a practitioner must be retained and must not be destroyed until the



1 practitioner has been notified in writing that the investigation or  
2 disciplinary action has been closed or concluded.

3 4. As used in this section:

4 (a) "Documentation related to an attestation" includes, without  
5 limitation:

6 (1) All documentation relating to consultations and  
7 resolutions of any differences of professional opinion regarding the  
8 exercise of professional judgment relating to an attestation; and

9 (2) Documentation of the findings or issues related to the  
10 attestation that, based on the judgment of the practitioner after an  
11 objective analysis of the facts and circumstances, is determined to  
12 be significant, regardless of whether the documentation includes  
13 information or data that is inconsistent with the final conclusions of  
14 the practitioner.

15 (b) "Practitioner" means:

16 (1) A holder of a certificate issued pursuant to NRS 628.190  
17 to 628.310, inclusive, or a permit issued pursuant to NRS 628.380;

18 (2) A partnership, corporation, limited-liability company or  
19 sole proprietorship registered pursuant to NRS 628.335; or

20 (3) A natural person *or certified public accounting firm*  
21 granted practice privileges pursuant to NRS 628.315.

22 **Sec. 14.** NRS 628.460 is hereby amended to read as follows:

23 628.460 A partnership, corporation, limited-liability company  
24 or sole proprietorship shall not assume or use the title or designation  
25 "certified public accountant" or the abbreviation "C.P.A." or any  
26 other title, designation, words, letters, abbreviation, sign, card or  
27 device tending to indicate that the partnership, corporation, limited-  
28 liability company or sole proprietorship is composed of certified  
29 public accountants unless the partnership, corporation, limited-  
30 liability company or sole proprietorship is:

31 1. Registered as a partnership, corporation, limited-liability  
32 company or sole proprietorship of certified public accountants and  
33 all offices of the partnership, corporation, limited-liability company  
34 or sole proprietorship in this State for the practice of public  
35 accounting are maintained and registered as required under NRS  
36 628.370; or

37 2. ~~[Performing services within the practice of public~~  
38 ~~accounting]~~ *Granted practice privileges* pursuant to the provisions  
39 of ~~[subsection 3 of]~~ NRS ~~[628.335.]~~ *628.315.*

40 **Sec. 15.** NRS 628.480 is hereby amended to read as follows:

41 628.480 A partnership, corporation, limited-liability company  
42 or sole proprietorship shall not assume or use the title or designation  
43 "public accountant" or any other title, designation, words, letters,  
44 abbreviation, sign, card or device tending to indicate that the  
45 partnership, corporation, limited-liability company or sole



1 proprietorship is composed of public accountants unless the  
2 partnership, corporation, limited-liability company or sole  
3 proprietorship is:

4 1. Registered as a partnership, corporation, limited-liability  
5 company or sole proprietorship of certified public accountants and  
6 all offices of the partnership, corporation, limited-liability company  
7 or sole proprietorship in this State for the practice of public  
8 accounting are maintained and registered as required under NRS  
9 628.370; or

10 2. ~~[Performing services within the practice of public~~  
11 ~~accounting]~~ *Granted practice privileges* pursuant to the provisions  
12 of ~~[subsection 3 of]~~ NRS ~~[628.335.]~~ *628.315.*

13 **Sec. 16.** NRS 628.490 is hereby amended to read as follows:

14 628.490 1. Except as otherwise provided in subsection 2 and  
15 NRS 628.450 to 628.480, inclusive, a person, partnership,  
16 corporation, limited-liability company or sole proprietorship shall  
17 not assume or use the title or designation "certified accountant," or  
18 any other title or designation likely to be confused with "certified  
19 public accountant" or "public accountant," or any of the  
20 abbreviations "C.A." or "P.A." or similar abbreviations likely to be  
21 confused with "C.P.A."

22 2. Anyone who:

23 (a) Holds a live permit pursuant to NRS 628.380 or is registered  
24 as a partnership, corporation, limited-liability company or sole  
25 proprietorship pursuant to the provisions of this chapter and all of  
26 whose offices in this State for the practice of public accounting are  
27 maintained and registered as required under NRS 628.370; *or*

28 (b) Has been granted practice privileges pursuant to NRS  
29 628.315, ~~;~~ ~~or~~

30 ~~—(c) Is performing services within the practice of public~~  
31 ~~accounting pursuant to the provisions of subsection 3 of~~  
32 ~~NRS 628.335.]~~

33 ↪ may hold himself or herself out to the public as an "accountant,"  
34 "auditor" or "certified public accountant."

35 **Sec. 17.** NRS 628.510 is hereby amended to read as follows:

36 628.510 1. Except as otherwise provided in subsection 2, a  
37 person shall not sign or affix his or her name or the name of a  
38 partnership, corporation, limited-liability company or sole  
39 proprietorship, or any trade or assumed name used by the person or  
40 by the partnership, corporation, limited-liability company or sole  
41 proprietorship in business, with any wording indicating that he or  
42 she is an accountant or auditor, or that the partnership, corporation,  
43 limited-liability company or sole proprietorship is authorized to  
44 practice as an accountant or auditor or with any wording indicating  
45 that the person or the partnership, corporation, limited-liability



1 company or sole proprietorship has expert knowledge in accounting  
2 or auditing, to any accounting or financial statement, or attest to any  
3 accounting or financial statement, unless:

4 (a) The person holds a live permit or the partnership,  
5 corporation, limited-liability company or sole proprietorship is  
6 registered pursuant to NRS 628.335 and all of the person's offices in  
7 this State for the practice of public accounting are maintained and  
8 registered under NRS 628.370; *or*

9 (b) The person is a natural person *or certified public accounting*  
10 *firm* granted practice privileges pursuant to NRS 628.315 . ~~;~~ ~~or~~

11 ~~—(c) The partnership, corporation, limited liability company or~~  
12 ~~sole proprietorship is performing services within the practice of~~  
13 ~~public accounting pursuant to the provisions of subsection 3 of~~  
14 ~~NRS 628.335.]~~

15 2. The provisions of subsection 1 do not prohibit:

16 (a) Any officer, employee, partner, principal or member of any  
17 organization from affixing his or her signature to any statement or  
18 report in reference to the financial affairs of that organization with  
19 any wording designating the position, title or office which he or she  
20 holds in the organization.

21 (b) Any act of a public official or public employee in the  
22 performance of his or her duties as such.

23 (c) Any person who does not hold a live permit from preparing a  
24 financial statement or issuing a report if the statement or report,  
25 respectively, includes a disclosure that:

26 (1) The person who prepared the statement or issued the  
27 report does not hold a live permit issued by the Board; and

28 (2) The statement or report does not purport to have been  
29 prepared in compliance with the professional standards of  
30 accounting adopted by the Board.

31 **Sec. 18.** NRS 628.520 is hereby amended to read as follows:

32 628.520 A person shall not sign or affix the name of a  
33 partnership, corporation, limited-liability company or sole  
34 proprietorship with any wording indicating that it is a partnership,  
35 corporation, limited-liability company or sole proprietorship  
36 composed of accountants or auditors or persons having expert  
37 knowledge or special expertise in accounting or auditing, to any  
38 accounting or financial statement, or attest to any accounting or  
39 financial statement, unless the partnership, corporation, limited-  
40 liability company or sole proprietorship is:

41 1. Registered pursuant to NRS 628.335 and all of its offices in  
42 this State for the practice of public accounting are maintained and  
43 registered as required under NRS 628.370; or





1 2. ~~[Performing services within the practice of public~~  
2 ~~accounting]~~ *Granted practice privileges* pursuant to the provisions  
3 of ~~[subsection 3 of]~~ NRS ~~[628.335.]~~ *628.315.*

4 **Sec. 19.** NRS 628.540 is hereby amended to read as follows:

5 628.540 1. Except as otherwise provided in subsection 2, a  
6 person, partnership, corporation, limited-liability company or sole  
7 proprietorship shall not engage in the practice of public accounting  
8 or hold himself, herself or itself out to the public as an “accountant”  
9 or “auditor” by use of either or both of those words in connection  
10 with any other language which implies that such a person or firm  
11 holds a certificate, permit or registration or has special competence  
12 as an accountant or auditor on any sign, card, letterhead or in any  
13 advertisement or directory unless:

14 (a) If a natural person, he or she holds a live permit or has been  
15 granted practice privileges pursuant to NRS 628.315; or

16 (b) If a partnership, corporation, limited-liability company or  
17 sole proprietorship, it is registered pursuant to NRS 628.335 or ~~is~~  
18 ~~performing services within the practice of public accounting]~~ *has*  
19 *been granted practice privileges* pursuant to the provisions of  
20 ~~[subsection 3 of]~~ NRS ~~[628.335.]~~ *628.315.*

21 2. The provisions of subsection 1 do not prohibit:

22 (a) Any officer, employee, partner, shareholder, principal or  
23 member of any organization from describing himself or herself by  
24 the position, title or office he or she holds in that organization.

25 (b) Any act of a public official or public employee in the  
26 performance of his or her duties as such.

27 **Sec. 20.** NRS 628.550 is hereby amended to read as follows:

28 628.550 1. A person shall not assume or use the title or  
29 designation “certified public accountant” or “public accountant” in  
30 conjunction with names indicating or implying that there is a  
31 partnership, corporation or limited-liability company, or in  
32 conjunction with the designation “and Company” or “and Co.” or a  
33 similar designation, if there is in fact no bona fide partnership,  
34 corporation or limited-liability company:

35 (a) Registered under NRS 628.335; or

36 (b) ~~[Performing services within the practice of public~~  
37 ~~accounting]~~ *Granted practice privileges* pursuant to the provisions  
38 of ~~[subsection 3 of]~~ NRS ~~[628.335.]~~ *628.315.*

39 2. A person, partnership, corporation or limited-liability  
40 company shall not engage in the practice of public accounting under  
41 any name which is misleading as to:

42 (a) The legal form of the firm;

43 (b) The persons who are partners, officers, shareholders or  
44 members; or

45 (c) Any other matter.



- 1 ↪ The names of past partners, shareholders or members may be  
2 included in the name of a firm or its successors.  
3 **Sec. 21.** NRS 628.017 is hereby repealed.  
4 **Sec. 22.** This act becomes effective on July 1, 2023.

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**TEXT OF REPEALED SECTION**

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**628.017 “Home office” defined.** “Home office” means the location specified by a client of an accountant as the address of an entity for which the accountant practices public accounting, performs an attestation or compilation or performs other professional services within the practice of public accounting.

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\* S B 4 3 7 R 1 \*