

STATE OF MAINE

—  
IN THE YEAR OF OUR LORD  
TWO THOUSAND TWENTY-ONE

—  
H.P. 124 - L.D. 171

**An Act To Enable Out-of-state Certified Public Accountancy Firms To  
Provide Services in Maine on the Basis of Substantial Equivalency**

Be it enacted by the People of the State of Maine as follows:

**Sec. 1. 32 MRSA §12232, sub-§4**, as enacted by PL 2009, c. 242, §13, is amended to read:

**4. Additional services.** An individual who qualifies for the practice privilege under this section may perform any of the services listed in ~~this subsection~~ section 12201, subsection 3-A for any entity with its home office in the State as long as the individual does so through a firm that has obtained a license issued under section 12252; ~~or is exempt from the licensure requirement pursuant to section 12252, subsection 1, paragraph A, subparagraph (3) or section 12252, subsection 1, paragraph B.~~

~~A. A financial statement audit or other engagement to be performed in accordance with the Statements on Auditing Standards;~~

~~B. An examination of prospective financial information to be performed in accordance with Statements on Standards for Attestation Engagements; or~~

~~C. An engagement to be performed in accordance with auditing standards of the Public Company Accounting Oversight Board, established in 15 United States Code, Section 7211 (2007).~~

**Sec. 2. 32 MRSA §12252, sub-§1**, as amended by PL 2015, c. 110, §8, is further amended to read:

**1. Licensure.** The board shall grant or renew a license to accounting firms that submit the application required by the board, pay the fee as set under section 12203 and demonstrate their qualifications in accordance with this section.

A. A firm must hold a license issued under this section if it:

(1) Has an office in this State performing any of the services described in section 12201, subsection 3-A, paragraphs A to D;

(2) Has an office in this State that uses the title "CPA" or "CPA firm"; or

(3) Does not have an office in this State but performs any of the services described in section 12201, subsection 3-A, ~~paragraphs~~ paragraph A, C or D for a client having its home office in this State: unless:

(a) It qualifies for a firm license pursuant to subsections 3 and 8 and it performs such services through an individual with practice privileges under section 12232; or

(b) It meets the requirements of section 12253.

B. A firm that does not have an office in this State may perform services described in section 12201, subsection 3-A, paragraph B or F for a client having its home office in this State and may use the title "CPA" or "CPA firm" without a license issued under this section only if:

(1) It qualifies for a firm license pursuant to subsections 3 and 8 and it performs such services through an individual with practice privileges under section 12232; and or

~~(2) It performs such services through an individual with practice privileges under section 12232.~~

(3) It meets the requirements of section 12253.

C. A firm that is not subject to the requirements of paragraphs A and B may perform professional services other than those described in section 12201, subsection 3-A while using the title "CPA" or "CPA firm" in this State without a license issued under this section only if the firm meets the requirements of section 12253 or:

(1) Performs such services through an individual with practice privileges under section 12232; and

(2) Has legal authority to perform such services in the state of that individual's principal place of business.

**Sec. 3. 32 MRSA §12253** is enacted to read:

**§12253. Accountancy firm practice without license on the basis of substantial equivalency**

**1. Substantial equivalency.** A firm with a principal place of business outside the State is presumed to have qualifications substantially equivalent to the State's requirements and has all the privileges of licensees of the State and may provide professional services in the State without the requirement to obtain a license under this section or to otherwise notify or register with the board or pay any fee if the firm:

A. Holds a valid license as a certified public accountancy firm from a state that the board has verified to be in substantial equivalence with the certified public accountancy firm licensure requirements of a national association of state boards of accountancy and standards promulgated by the American Institute of Certified Public Accountants; or

B. Holds a valid license as a certified public accountancy firm from a state that is not in substantial equivalence with the certified public accountancy firm requirements under paragraph A, but the board determines that the certified public accountancy firm's qualifications are substantially equivalent to the certified public accountancy

firm licensure requirements of a national association of state boards of accountancy and standards promulgated by the American Institute of Certified Public Accountants.

In determining substantial equivalence, the board may consult determinations and verifications from a national qualification appraisal service of a national association of state boards of accountancy.

**2. No notice or other submission required.** Notwithstanding any provision of law to the contrary, a firm that is eligible to practice in this State without a license in accordance with the requirements of this section may offer or render professional services in this State, whether in person or by mail, telephone or electronic means, without providing notice or making any submission to the board. Such a firm is subject to subsection 3.

**3. Conditions.** A licensee of another state exercising the practice privilege afforded under this section must consent, as a condition of the grant of the practice privilege:

A. To the personal and subject matter jurisdiction and disciplinary authority of the board;

B. To comply with the provisions of this chapter and the board's rules; and

C. To the stipulation that, in the event the license from the state of the firm's principal place of business is no longer valid, the firm will cease offering or rendering professional services in the State.

**Sec. 4. 32 MRSA §12275, sub-§14**, as amended by PL 2015, c. 110, §14, is further amended to read:

**14. Substantial equivalency.** For purposes of this section:

A. An individual practicing as a certified public accountant without a license on the basis of substantial equivalency pursuant to section 12232 and complying with the restrictions on the scope of such a practice is equivalent to an individual licensed as a certified public accountant under section 12230 or 12231 or a corresponding provision of prior law, and each reference in this section to a licensed certified public accountant is deemed to include, on an equal basis, such an individual;

B. A firm in compliance with section 12252, subsection 1 must, for the purposes of this section, be deemed to hold a valid license issued under section 12252; and

C. Notwithstanding any other provision of this section, it is not a violation of this section for a firm that does not hold a valid license under section 12252 and that does not maintain an office in this State to use the title "CPA" or "Certified Public Accountants" as part of the firm's name and to provide professional services in this State, and licensees and individuals with practice privileges may provide services on behalf of such a firm if the firm complies with the requirements of section 12252, subsection 1, paragraph A, subparagraph (3) or section 12252, subsection 1, paragraph B or C, whichever is applicable. An individual or firm authorized under this paragraph to use practice privileges in this State shall comply with the requirements otherwise applicable to licensees under this section.