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IN THE HOUSE

HOUSE BILL NO. 105

BY MR. PLUMMER
June E. Plummer
BY REQUEST

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

TWENTY-SECOND SESSION

A BILL

For an Act entitled: "An Act to regulate the public accounting profession in Alaska; creating a Board of Public Accountancy; defining offenses, prescribing penalties; repealing Secs. 35-2-4, 35-2-5, 35-2-6, 35-2-8, 35-2-9 and 35-2-12, ACLA 1949, and Secs. 1 through 4 and 6 through 10 and 12 through 14 of Ch. 95, SLA 1949, and Sec. 5 of Ch. 95, SLA, 1949, as amended by Sec. 1 of Ch. 18, SLA, 1951."

BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

ARTICLE I

Section 1. SHORT TITLE. This Act may be cited as the "Alaska Public Accountancy Act."

Sec. 2. GENERAL DEFINITIONS. As used in this Act, unless the context otherwise required:

(a) "Accounting service" means the professional services that involve or require an audit, examination, verification, investigation, certification, presentation or review of business or financial transactions or accounting records, or the rendering of professional services or assistance in or about any or all matters of principle or detail relating to the design or installation of an accounting system, accounting practices and procedures, or the recording of business or financial transactions or data in books of account or otherwise, or the preparation or

1 certification of reports on audits, examinations or installations
2 of books or records of accounts or accounting systems, including
3 the preparation or certification of balance sheets and other
4 financial accounting and related schedules, exhibits, statements
5 or reports to be used for publication or for the purpose of ob-
6 taining credit or for filing with a court of law or with any
7 governmental agency or for any other purpose.

8 (b) "Tax service" means the services that involve or
9 require an audit, examination, verification, compilation or re-
10 view of books or records of taxpayers, business transactions of
11 taxpayers, or items of income or items deductible from gross
12 taxable income, the determination of gross or net taxable income,
13 or the services requiring or involving analysis, planning, counsel
14 and advice, or preparation of returns, claims, or general assist-
15 ance relative to the filing, assessment payment and disputes with
16 taxing authorities of Federal and Territorial income taxes, pay-
17 roll taxes, estate and gift taxes, inheritance taxes, including
18 representation of taxpayers before taxing authorities.

19 (c) "Board" when used with an initial capital letter
20 means the Board of Public Accountancy of the Territory of Alaska.

21 (d) Certified Public Accountant or C.P.A. (with or
22 without capital letters) means a person who is in possession of
23 an unrevoked Certified Public Accountant's certificate issued to
24 him by competent authority of a State or Territory of the United
25 States of America, or when applied to any organization consisting
26 of two or more individuals, means a firm, all principals of which
27 are persons who are each in possession of an unrevoked Certified
28 Public Accountant's certificate issued to them by competent
29 authority of a State or Territory of the United States of America.

1 (e) Public Accountant or P.A. (with or without capital
2 letters) means a person who is in possession of an unrevoked
3 Public Accountant's certificate issued to him by the Territorial
4 Board of Public Accountancy of the Territory of Alaska, or when
5 applied to any organization consisting of two or more individuals
6 means a firm, all principals of which are persons who are each in
7 possession of an unrevoked Public Accountant's certificate issued
8 to them by the Territorial Board of Public Accountancy of the
9 Territory of Alaska.

10 (f) "In good standing" when applied to Certified Public
11 Accountants and Public Accountants means that the person to whom
12 a C.P.A. or P.A. certificate has been issued by competent auth-
13 ority of a State or Territory of the United States of America has
14 a status as a C.P.A. or P.A. before the Board of Accountancy by
15 meeting the requirements of this Act and by complying with the
16 regulations of the Board promulgated pursuant to this Act includ-
17 ing the payment of the fees prescribed by the Board but without
18 necessarily being licensed under this Act or by the Board or
19 under the Alaska Business License Act (Chapter 43, SLA, 1949).

20 (g) "Person," "Applicant," or "Candidate" means an
21 individual of either gender, and includes any firm, partnership,
22 association or any group or combination acting as a unit or
23 entity, and the plural as well as the singular in number.

24 (h) "State" means any State, Territory or insular
25 possession of the United States or the District of Columbia.

26 Sec. 3. SAVINGS CLAUSE. Rules, regulations and standards
27 pertaining to the practice of public accountancy or the rendering
28 of accounting service, and to Certified Public Accountants and
29 Public Accountants, promulgated by the Territorial Board of

1 Certified Public Accountants holding C.P.A. Certificates issued
2 by the Board or its predecessor and the remaining members of the
3 Board shall each be a Public Accountant holding P.A. Certificates
4 issued by the Board or its predecessor.

5 Sec. 2. TERMS OF OFFICE. The terms of office shall be six
6 years. Each second year the Governor, with the advice and consent
7 of the Legislature, shall appoint one or two members, as the case
8 may be, for a term of six years and until their successors are
9 appointed and have qualified.

10 Sec. 3. FILLING VACANCIES IN THE BOARD. Any vacancy in the
11 Board shall be filled by the Governor by appointment for the
12 unexpired terms.

13 Sec. 4. REMOVAL FROM OFFICE. The Governor shall remove from
14 the Board any member of the Board whose Certificate has become
15 void, revoked or suspended, and he may after full hearing remove
16 any members of the Board for neglect of duty or other just cause.

17 Sec. 5. OFFICERS OF THE BOARD. The Board shall elect a
18 President, a Vice President, a Secretary and a Treasurer. The
19 offices of Secretary and Treasurer may be held by the same Board
20 member.

21 The President shall preside at all meetings of the Board,
22 except that in the event of his absence or inability to act, the
23 Vice President shall preside, except that in the event of absence
24 or inability to act of both President and Vice President, the
25 Secretary shall preside.

26 Other duties of the President, Vice President, Secretary
27 and Treasurer shall be such as the Board may prescribe.

28 Sec. 6. OATH OF OFFICE. Within thirty days after their
29 appointment the members of the Board shall take and subscribe
30

1 to the oath of office as prescribed by law and shall file same
2 with the Attorney General.

3 Sec. 7. MEETINGS. (a) The Board shall meet each year for
4 a period not to exceed one week at a time and place determined by
5 the President of the Board.

6 (b) Special meetings shall be called upon the request
7 of any three members of the Board or upon the call of the Presi-
8 dent, properly communicated to all members of the Board.

9 Sec. 8. COMPENSATION OF BOARD MEMBERS. The Secretary of the
10 Board shall receive compensation for services actually rendered
11 at rates to be determined from time to time by the Board within
12 the amounts appropriated by the Legislature. Otherwise the mem-
13 bers of the Board shall serve without pay except that they shall
14 receive per diem allowances at rates prescribed by law for time
15 spent on official business away from their places of residence,
16 and in addition thereto reimbursement of actual travel expenses
17 incurred in the discharge of their official duties.

18 Sec. 9. QUORUM. Any three members acting as a Board at a
19 meeting properly called shall constitute a quorum for the trans-
20 action of business.

21 Sec. 10. POWERS AND DUTIES OF THE BOARD. (a) The Board
22 is charged with the administration of this Act and the enforcement
23 of the provisions of this Act.

24 (b) The Board may adopt, repeal and amend from time to
25 time regulations necessary or expedient for the orderly conduct of
26 its affairs and for the administration of this Act, and may regu-
27 late its own procedure and practice, provided not inconsistent
28 with the provisions of this Act.

29 (c) The Board may establish branch offices in addition

to a principal office.

(d) The Board may have a seal which shall be judicially noticed.

(e) The Board may prescribe and amend from time to time rules of professional and ethical conduct, define standards of professional and ethical conduct in the accounting profession and publish same for distribution. However, no person rendering accounting services or tax services shall be governed and controlled by the rules and standards prescribed by the Board until sixty days after its adoption by the Board.

(f) The Board may employ clerks, examiners and assistants in the performance of its duties and may contract for services as it deems necessary, paying salaries and expenses within the limits provided by law.

(g) The Board may appoint administrative committees consisting of Board members to perform duties deemed necessary and expedient for the orderly conduct of its affairs and such committees shall be vested with the full powers of the Board for such purposes.

(h) The Board shall have power to conduct public and private hearings, to compel the attendance of witnesses, administer oaths, take testimony and receive proof concerning all matters within its jurisdiction.

(i) The Board shall record its proceedings and actions by and before the Board and before its committees and copies of such records certified as correct by the Secretary of the Board under seal of the Board shall constitute prima facie evidence of the correctness of the contents thereof in any court proceeding.

(j) The Board may issue certificates of "Certified

Public Accountant" and "Public Accountant" to persons who apply therefor, in accordance with the provisions of this Act and regulations adopted by the Board. Such Certificates shall be signed by at least two members of the Board.

(k) The Board may issue licenses for the practice of Public Accountancy to Certified Public Accountants and Public Accountants who apply therefor, in accordance with the provisions of this Act and regulations adopted by the Board. Such licenses shall be signed by at least two members of the Board. No license issued by the Board shall be effective after the close of the calendar year in which it was issued.

(l) The Board shall charge and collect fees for examinations, for re-examinations, for issuance of certificates, for licenses and for renewal and reinstatement of certificates and licenses in accordance with a schedule of fees and charges fixed by the Board, and in addition thereto the Board shall charge and collect fees, charges and penalties from persons who are rendering accounting services or tax services and those persons who fail to renew required licenses within one calendar month after the close of the preceding calendar year in accordance with a schedule of penalties, fixed by the Board.

Sec. 11. FUNDS OF THE BOARD. Funds received by any officer, member or agent of the Board from any source shall be placed promptly in the hands of the Treasurer of the Board, who shall issue a receipt to the payor.

The Treasurer of the Board shall remit the funds so received at least once each calendar month to the Territorial Treasurer for deposit in the General Fund.

Sec. 12. SURETY BONDS. The Secretary and the Treasurer of

1 the Board shall give bonds to the Territory in such sums and with
2 such sureties as the Board may direct. These bonds shall be
3 executed in duplicate, one to be kept by the Board and the other
4 to be filed with the Territorial Auditor.

5 Sec. 13. REPORTS BY THE BOARD. (a) The Board shall report
6 annually to the Governor.

7 (b) Each biennium the Board shall prepare a report of
8 its activities, of its budget, and a register of Certified Public
9 Accountants and Public Accountants and the Board shall furnish
10 copies thereof to the Governor and to the members of the Legisla-
11 ture upon request.

12 ARTICLE III

13 Section 1. GRANTING OF CERTIFICATE AS A CERTIFIED PUBLIC
14 ACCOUNTANT. The certificate of "Certified Public Accountant"
15 shall only be granted by the Board to a person applying for the
16 issue of such certificate, who meets the requirements of this
17 Article.

18 (a) For the certificate of Certified Public Accountant
19 by reciprocity all of the following requirements:

20 (1) To the applicant in possession of an un-
21 revoked certificate of Certified Public Accountant in good
22 standing issued by a State or Territory of the United States,
23 or to the applicant in possession of an unrevoked certificate
24 of competency as a Certified Public Accountant, Chartered
25 Accountant or other designation, granted by a foreign
26 country, which denotes a standing which in the judgment of
27 the Board is the substantial equivalent of the degree of
28 Certified Public Accountant conferred by the Territory of
29 Alaska.

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(2) An application in writing in proper form as determined by the Board.

(3) Receipt of an application fee of \$50.00

(4) Receipt of the regular initial license fee in accordance with the schedule of fees and charges fixed by the Board.

(5) A determination by the Board that the State, Territory or foreign country grants reciprocal rights to Certified Public Accountants of the Territory of Alaska.

(6) A determination that the applicant obtained his degree by the process of written examination.

(7) A determination that the applicant has good moral character, adequate education and satisfactory professional standing in the accounting profession.

(8) A determination that the applicant is a resident of the Territory of Alaska.

(9) A determination that the applicant is either a citizen of the United States or that the applicant has formally declared his intention to become a citizen of the United States evidenced by the taking of legal steps to acquire such citizenship.

(b) For the certificate of Certified Public Accountant, other than certificates of Certified Public Accountant to be issued on the basis of reciprocity all of the following requirements:

(1) An application in writing in proper form as determined by the Board.

(2) Receipt of an examination fee of \$25.00.

(3) Receipt of the regular initial license fee in

1 accordance with the schedule of fees and charges fixed by
2 the Board, which fee is refundable should the applicant fail
3 to pass the examination and states that he does not desire
4 a re-examination.

5 (4) A determination that the applicant has good
6 moral character.

7 (5) A determination that the applicant has at-
8 tained the age of 21.

9 (6) A determination that the applicant is a resi-
10 dent of the Territory of Alaska.

11 (7) A determination that the applicant is either
12 a citizen of the United States or that the applicant has
13 formally declared his intention to become a citizen of the
14 United States evidenced by the taking of legal steps to
15 acquire such citizenship.

16 (8) Submission of evidence satisfactory to the
17 Board that the applicant is a graduate of a High School
18 which required four years attendance, or evidence of equiva-
19 lent schooling in the judgment of the Board, provided that
20 in the case of applicants applying for the certificates of
21 Certified Public Accountant to be issued subsequent to
22 December 31, 1959, there shall be required submission of
23 evidence satisfactory to the Board that the applicant is a
24 graduate with a major in accounting from a college recognized
25 by a recognized accrediting association, provided that in
26 lieu of such graduation from an accredited college an appli-
27 cant may elect to present evidence of equivalent education
28 by passing a written and/or oral examination conducted by
29 the Board in addition to the examination as provided in

Subsection B (9) of this Section and Section 2 of this Article.

(9) After satisfying the preceding requirements, the passing of an examination in such subjects and at such times and places as the Board may designate.

(10) A determination that the requirements of the Board as to demonstrated practical experience have been met.

Sec. 2. CERTIFIED PUBLIC ACCOUNTANT EXAMINATIONS. (a)

Examinations of candidates for the certificate of Certified Public Accountant shall be given by the Board at least once in each year at such times and places as the Board may designate.

(b) Such examination may include a written or oral examination conducted by the Board or a committee appointed by the Board, provided that in any case that the American Institute of Accountants will permit the Board to do so, the Board's examination shall include as a minimum requirement the Uniform Certified Public Accountants Examination prepared by the Institute, held at the time and according to the rules governing examinations prescribed by the Institute.

(c) Whenever the American Institute of Accountants renders the service of grading examination papers, the Board shall employ that service.

(d) A passing grade in each subject of the examination shall be 75 points out of possible 100 points.

(e) The Board may allow re-examination of unsuccessful candidates and waive re-examination in subjects previously passed by candidates at prior examinations conducted by the Board in accordance with regulations promulgated by the Board.

ARTICLE IV

1 Section 1. GRANTING OF CERTIFICATE OF PUBLIC ACCOUNTANT. . .

2 The certificate of Public Accountant shall only be granted by the
3 Board to a person applying for the issue of such certificate, who
4 meets the requirements of this Article:

5 (a) An application in writing in proper form as deter-
6 mined by the Board.

7 (b) Receipt of an examination fee of \$25.00.

8 (c) Receipt of the regular initial license fee in
9 accordance with the schedule of fees and charges fixed by the Board
10 which fee is refundable should the applicant fail to pass the
11 examination and states that he does not desire a re-examination.

12 (d) A determination that the applicant has good moral
13 character.

14 (e) A determination that the applicant has attained the
15 age of 21.

16 (f) A determination that the applicant is a resident
17 of the Territory of Alaska.

18 (g) A determination that the applicant is either a
19 citizen of the United States, or that the applicant has formally
20 declared his intention to become a citizen of the United States,
21 evidenced by the taking of legal steps to acquire such citizenship.

22 (h) Submission of evidence satisfactory to the Board
23 that the applicant is a graduate of a High School which required
24 four years attendance or evidence of equivalent schooling in the
25 judgment of the Board, provided that in the case of applicants
26 applying for the Certificate of Public Accountant to be issued
27 subsequent to December 31, 1959, there shall be required submis-
28 sion of evidence satisfactory to the Board that the applicant
29 is a graduate with a major in accounting from a college recognized

1 by a recognized accrediting association, provided that in lieu of
2 such graduation from an accredited college an applicant may elect
3 to present evidence of equivalent education by passing a written
4 and/or oral examination conducted by the Board in addition to the
5 examination as provided by Subsection (i) of this Section.

6 (i) After satisfying the preceding requirements the
7 passing of an examination in such subjects and at such places as
8 the Board may designate.

9 (j) A determination that the requirements of the Board
10 as to demonstrated practical experience have been met.

11 Sec. 2. PUBLIC ACCOUNTANT EXAMINATIONS. (a) Examinations
12 of candidates for the certificate of Public Accountant shall be
13 given by the Board at least once in each year at such times and
14 places as the Board may designate.

15 (b) Such examination may include a written or oral
16 examination conducted by the Board or by a committee appointed by
17 the Board.

18 (c) The Board may allow re-examination of unsuccessful
19 candidates and waive re-examination in subjects previously passed
20 by candidates at prior examinations conducted by the Board in
21 accordance with regulations promulgated by the Board.

22 ARTICLE V

23 PRACTICE BY CERTIFIED PUBLIC ACCOUNTANTS AND PUBLIC ACCOUNTANTS

24 Section 1. CONFIRMING TITLES. (a) Any person who has been
25 issued by the Board a certificate of Certified Public Accountant,
26 who is in good standing with the Board shall be styled and known
27 by that title and may use those words or the abbreviation C.P.A.
28 in connection with his name; no other person may use such title,
29 words or abbreviation in connection with his name.

1 (b) Any person who has been issued by the Board a
2 certificate of Public Accountant, who is in good standing with the
3 Board shall be styled and known by the title and may use those
4 words or the abbreviation P.A. in connection with his name; no
5 other person may use such title, words or abbreviations in connec-
6 tion with his name.

7 (c) No person who is not in good standing with the
8 Board as a Certified Public Accountant or Public Accountant may
9 assume to use that title or the abbreviation C.P.A. or P.A. or
10 any other word, words, letters or figures to indicate that the
11 person using the same is respectively a Certified Public Account-
12 ant or Public Accountant or a person licensed by the Board.

13 (d) The display of a card, sign, advertisement,
14 directory listing or the use of a letterhead or signature bearing
15 the name of a person as a practitioner of Public Accounting, or as
16 rendering accounting or tax service, or using designation or ab-
17 breviations

18	Certified Public Accountant	CPA
19	Chartered Accountant	CA
20	Public Accountant	PA
21	Licensed Public Accountant	LPA
22	Licensed Accountant	LA
23	Registered Accountant	RA
24	Certified Accountant	
25	Cost Accountant	
26	Certified Tax Consultant	
27	Professional Tax Consultant Accountant	
28	Professional Auditor	
29	Auditor	

1 shall be prima facie evidence in any hearing or prosecution against
2 such person that the person whose name is so displayed or carried
3 therein is responsible for the same and did announce thereby his
4 practice of public accountancy or the rendering of accounting ser-
5 vice or tax service.

6 Sec. 2. GRANTING OF LICENSE TO CERTIFIED PUBLIC ACCOUNTANTS
7 AND PUBLIC ACCOUNTANTS. (a) The Board may upon application issue
8 and renew annual licenses for the practice of public accountancy,
9 and the rendering of accounting service and tax service in the
10 Territory of Alaska to Certified Public Accountants and Public
11 Accountants in good standing and to Certified Public Accountants
12 licensed to practice public accountancy in another State or Terri-
13 tory or a foreign country who are in good standing, against pay-
14 ment of an annual license fee in accordance with a schedule of
15 fees and charges fixed by the Board.

16 No person shall practice or undertake to practice in Alaska
17 as a Certified Public Accountant or as a Public Accountant, or
18 render accounting services unless he first shall have obtained a
19 current annual license from the Board and paid a fee therefor in
20 accordance with the schedule of fees and charges fixed by the
21 Board.

22 (b) No person shall render tax service unless he
23 either shall have obtained a current annual license from the
24 Board and paid a fee therefor in accordance with the schedule of
25 fees and charges fixed by the Board or shall have been first ad-
26 mitted to the general practice of law in the Territory of Alaska
27 as an attorney at law.

28 (c) No person shall render accounting service or tax
29 service unless he complies with the provisions of the Alaska

1 Business License Act (Chapter 43, SLA, 1949).

2 (d) The holding out to the public as a C.P.A. or P.A.
3 or the offering of accounting service or tax service to the pub-
4 lic shall be deemed to constitute the rendering of accounting ser-
5 vice or tax service.

6 Sec. 3. CERTIFIED CORPORATIONS AND PRACTICE BY CORPORATIONS
7 PROHIBITED. No corporation organized under the laws of the Terri-
8 tory of Alaska, of a State or of a foreign country shall render
9 accounting service or tax service and the Board shall not issue
10 certificates of Certified Public Accountant or Public Accountant,
11 and licenses to business associations organized as a corporation.

12 Sec. 4. PARTNERSHIPS. (a) No partnership shall use or
13 assume the title or designation Certified Public Accountants, or
14 C.P.A.s or render accounting service or tax service unless all
15 partners of such partnership are Certified Public Accountants in
16 good standing and hold a current C.P.A. license.

17 (b) No partnership shall use or assume the title or
18 designation Public Accountants or P.A.s or render accounting or
19 tax service unless all partners of such partnership are Public
20 Accountants in good standing and hold a current P.A. license.

21 (c) No Certified Public Accountant or Public Accountant
22 shall render accounting service or tax service under a firm name
23 designating the existence of a partnership, or under a plural
24 designation as "and Company," C.P.A.s or P.A.s or similar style,
25 unless such person is in fact rendering accounting service or tax
26 service as a duly certified and licensed partner of a co-
27 partnership.

28 (d) Each partnership rendering accounting service or
29 tax service shall annually before February 28th, file a statement

1 with the Board disclosing the names, addresses, and qualifications
2 of all the partners and such statement shall be executed under
3 oath over the signature of all the partners concerned.

4 Sec. 5. CONTINUING PRACTICE OR RENDERING ACCOUNTING OR TAX
5 SERVICE AFTER REVOCATION OR SUSPENSION. No person shall continue
6 to practice as a Certified Public Accountant or as a Public Ac-
7 countant or render accounting service or tax service after his
8 certificate or license issued by the Board shall have been re-
9 voked or suspended.

10 Sec. 6. BOARD MAY NOT REFUSE TO RENEW LICENSE WITHOUT
11 HEARING. Provided that a person holding a certificate of Certi-
12 fied Public Accountant or Public Accountant issued by the Board
13 holds a license issued by the Board for a year immediately pre-
14 ceding the year for which a renewal of such license is applied
15 for, and provided the requirements of this Act with respect to
16 the obtaining of a license from the Board have been fulfilled
17 and provided the requirements of the Alaska Business License Act
18 (Chapter 43, SLA, 1949) have been complied with, he shall be
19 entitled to re-licensing and the enjoyments of his previous status
20 as to certification, being licensed, etc., as a matter of course,
21 unless the Board prefers charges against him as prescribed else-
22 where in this Act and unless the Board orders a hearing upon
23 such charges in due course.

24 Sec. 7. COMPETITIVE BIDDING PROHIBITED. No municipality,
25 public utility district, improvement district, school district,
26 or any political subdivision of the Territory of Alaska or
27 Public Corporation organized by the Territory of Alaska shall
28 award an engagement for audit, independent verification or review
29 of its books of account, with or without report thereon, to a

1 Certified Public Accountant or Public Accountant or other person
2 through the process of selection by competitive bidding and no
3 Certified Public Accountant or Public Accountant or other person
4 may accept or undertake such an engagement if it was secured by
5 competitive bid; nothing in this Act shall prohibit Certified
6 Public Accountants and Public Accountants from securing or under-
7 taking such an audit engagement if the selection was made on the
8 basis of comparative per diem or hourly rates without statement
9 of an offer for maximum or fixed fee.

10 Sec. 8. UNLICENSED PERSON MAY NOT SUPERVISE BRANCH OFFICE.

11 (a) No office or place of business shall be maintained
12 for the practice of public accountancy or for the rendering of
13 tax service in the Territory of Alaska unless it be under the
14 immediate supervision of an individual person who is a resident
15 of the city, town or place where the office is maintained and who
16 furthermore is the holder of a certificate as Certified Public
17 Accountant, or Public Accountant issued by the Board, and who
18 furthermore is licensed and in good standing with the Board.

19 (b) Persons licensed by the Board or their employees
20 who are not residents of the Territory of Alaska, who have paid,
21 an annual license fee in accordance with a schedule of fees and
22 charges fixed by the Board, may render accounting service and tax
23 service in the Territory of Alaska provided no office or place of
24 business is maintained for the practice of public accounting or
25 for the rendering of accounting or tax service in the Territory
26 of Alaska and provided the services are rendered by or under
27 supervision of an individual licensee.

28 Sec. 9. PRACTICING CERTIFIED PUBLIC ACCOUNTANTS AND PUBLIC
29 ACCOUNTANTS MUST DISCLOSE INTEREST IN SUBJECT OF THEIR REPORTS.

1 Whenever a Certified Public Accountant or Public Accountant signs
2 or certifies any report, schedule or statement relative to the
3 financial condition, financial transactions or business trans-
4 actions of any corporation, co-partnership, association or any
5 other business or legal organization or individual, in the affairs
6 of which such accountant or his associates or close relatives is
7 interested financially or of which such accountant, or his associ-
8 ate or close relatives is an officer, or employee or occupies a
9 position of control, such report, schedule or statement must con-
10 tain above the signature or certification of such accountant a
11 statement clearly setting forth specifically the relationship and
12 the extent of every existing interest.

13 Sec. 10. OWNERSHIP OF WORKING PAPERS, CONFIDENTIAL COMMUNI-
14 CATION, EXEMPTION FROM JURY DUTY. (a) All statements, records,
15 schedules, working papers and memoranda of a Certified Public
16 Accountant or Public Accountant prepared incident to or in the
17 course of his professional services and in his possession shall
18 be and remain the property of such Certified Public Accountant or
19 Public Accountant.

20 (b) A Certified Public Accountant or Public Accountant
21 shall not be subject to examination on confidential communications
22 between his client and himself and shall not be forced to divulge
23 any information acquired by him as confidential communication,
24 except at the insistence of his client, and any Certified Public
25 Accountant who shall otherwise divulge such information shall have
26 his certificate revoked and/or be subjected to such other dis-
27 disciplinary measures as the Board may deem appropriate.

28 (c) A Certified Public Accountant or Public Accountant
29 shall not serve nor be required to serve on a jury in any court

1 action involving either civil or criminal matters.

2 Sec. 11. PUBLICATION OF TERMINATION OF RIGHT TO PRACTICE.

3 The Board by direction of its President, concurred in by its
4 Secretary, may make public notice or notices in publication in the
5 Territory of Alaska that person or persons previously entitled to
6 practice as Certified Public Accountants or as Public Accountants
7 no longer enjoy such rights or privileges.

8 Sec. 12. Any person who at the time of enactment of this
9 Act held an unrevoked certificate as Certified Public Accountant
10 or Public Accountant heretofore issued under the laws of the
11 Territory of Alaska shall be considered to hold an unrevoked
12 certificate as Certified Public Accountant or Public Accountant
13 as prescribed by this Act and shall not be required to secure an
14 additional certificate under this Act, but shall otherwise be sub-
15 ject to all provisions of this Act.

16 ARTICLE VI

17 Section 1. DISCIPLINARY AUTHORITY OF THE BOARD. After
18 notice and/or hearing as provided by Section 2 of this Article,
19 the Board may revoke or suspend any certificate granted under
20 Article III or Article IV of this Act, or may revoke, suspend or
21 refuse to renew any license to practice under Section 2 of
22 Article V of this Act, or may censure the holder of any such
23 certificate or license for any one or any combination of the
24 following causes:

25 (a) Violation of any of the provisions of Sections 1,
26 2, 3, 4, 5, 7, 8, 9, or 10 of Article V of this Act.

27 (b) Violation of a rule of professional or ethical con-
28 duct promulgated by the Board under authority of this Act.

29 (c) Fraud or deceit in obtaining a certificate as a

1 Certified Public Accountant or Public Accountant, or in obtaining
2 a license to practice as a Certified Public Accountant or Public
3 Accountant in any State or Territory.

4 (d) Cancellation, revocation or suspension of a Certi-
5 ficate license or other authority to practice or refusal to renew
6 the certificate license or other authority to practice as a
7 Certified Public Accountant or as a Public Accountant by any
8 other State, Territory or foreign country.

9 (e) Revocation or suspension of the right to practice
10 before any governmental body or agency.

11 (f) Conviction of a felony or any other criminal of-
12 fense in any Federal or other court of law in any State, Terri-
13 tory or foreign country.

14 (g) Dishonesty, fraud or gross negligence in the
15 practice of public accountancy, the rendering of accounting ser-
16 vice or the rendering of tax service.

17 Sec. 2. HEARINGS BEFORE THE BOARD. (a) Notice of the cause
18 for any contemplated action by the Board under Section 1 of this
19 Article and the date and place of a hearing for the purpose of
20 determining by the Board whether there is cause for action by
21 the Board under Section 1 of this Article shall be mailed to the
22 person or persons against whom action by the Board under Section 1
23 of this Article is contemplated at his or their last known address
24 by the quickest class of registered mail available, at least
25 forty-five (45) days before the date of commencing such hearing.

26 (b) Unless the person or persons concerned shall waive
27 a hearing in writing, which shall be prima facie evidence of con-
28 sent to an adverse judgment or action by the Board, no certificate
29 or license issued under this Act shall be revoked or suspended

1 until the Board shall have held such hearing, but the non-
2 appearance of the person or persons concerned after notice as pro-
3 vided under this Section shall not prevent such hearing or render
4 such hearing ineffectual.

5 (c) Notice of any hearing shall be given to the Attorney
6 General of the Territory of Alaska at the same time as notifica-
7 tion under the provisions of Subsection (a) of this Section in
8 order that the Attorney General or his designated representative
9 may appear at the hearing to represent the Government or the
10 public interest.

11 (d) Any person notified under Section 2 of this Article
12 may appear in person or by counsel, produce evidence and witnesses
13 in his own behalf, may cross-examine witnesses and examine such
14 evidence as may be produced against him. Such person shall be
15 entitled an application to the Board to the issuance of subpoenas
16 to compel the attendance of witnesses on his behalf. Failure of
17 the person, against whom action by the Board is contemplated under
18 Section 1 of this Article, to appear at the hearing may be con-
19 sidered by the Board as being adverse to his position in deter-
20 mining the judgment and final action of the Board.

21 (e) A record of the hearing shall be kept and a tran-
22 script thereof filed by the Board. The decision of the Board
23 shall be by majority vote of the members in attendance who must
24 constitute a quorum at the time of voting.

25 (f) The judgment of the Board may be voted in the form
26 of action as provided by Section 1 of this Article.

27 (g) The judgment of the Board shall be entered in its
28 records and a notice thereof shall be mailed:

29 (1) To the person or persons against whom action

1 by the Board was contemplated.

2 (2) The Attorney General of the Territory of
3 Alaska.

4 (3) To the Clerk of the Federal District Court
5 of Territorial Judicial District as designated by the Board.

6 (4) To such states, foreign countries, competent
7 Boards of Accountancy of other states or foreign countries,
8 Societies of Public Accountants, Bar Associations or pro-
9 fessional associations of accountants or attorneys as the
10 Board may direct.

11 (h) The judgment of the Board shall not be given effect
12 until seven (7) days after the mailing of the notice under the
13 provisions of Subsection (g) of this Section or at such later
14 date as the Board in its discretion may direct.

15 Sec. 3. COURT REVIEW OF BOARD'S JUDGMENT. Any person sub-
16 jected to disciplinary action taken under the provisions of this
17 Article may obtain a review of the Board's judgment by appealing
18 to any court of competent jurisdiction filed within sixty (60)
19 days after the date of the Board's judgment. Such filing of
20 appeal or petition for review will not operate to render the judg-
21 ment of the Board ineffective until the Board's judgment shall
22 have been reversed by competent authority.

23 Sec. 4. REINSTATEMENT OF CERTIFICATES AND LICENSES. The
24 Board may in its discretion cancel a suspension previously ordered,
25 reissue a certificate or reissue a license upon good cause being
26 shown.

27 Sec. 5. GENERAL COURSE OF CONDUCT. In any hearing or pro-
28 secution under this Act, the proof of a single Act prohibited by a
29 law shall be sufficient without proving a general course of conduct.

1 and provided such returns do not include or report itemized
2 deductions from such taxable income.

3 (d) Apply to employees of the Federal or Territorial
4 Government or any subdivisions thereof in the rightful performance
5 of their duties with which they are charged in the normal course
6 of their employment.

7 Sec. 2. VALIDITY OF ACT. If any provisions of this Act, or
8 the application thereof to any person or circumstances is held
9 invalid the remainder of the Act and the application of such pro-
10 visions to the persons or circumstances shall not be affected
11 thereby.
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