



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB5773

Introduced 2/16/2012, by Rep. Robert Rita

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Public Accounting Act. Creates provisions that concern accounting activities and applicability of the Act. Makes changes to provisions concerning definitions; the Board of Examiners; the Public Accountant Registration Committee; the Administrative Procedure Act; transitional language; certification of out-of-State accountants; substantial equivalency; unauthorized use of title; violations; civil penalties; powers and duties of the Department; sharing of information; application for licensure; qualifications; foreign accountants; licensure by endorsement; additional requirements for firms; expiration and renewal of licenses; renewal of registration; continuing education; the provision concerning the restoration of registrations and licenses; inactive status; hearings; grounds for discipline; license or registration; subpoenas; depositions; oaths; the provision concerning the preservation a record at a hearing; criminal penalties; the provision concerning injunction proceedings; the improper influence on the conduct of audits; and misleading behavior by licensees. Repeals provisions concerning licensure; practicing as a licensed public accountant or licensed certified public accountant; unlicensed practice; and unlicensed practice; violations; and civil penalties. Amends the Regulatory Sunset Act to extend the repeal of the Illinois Public Account Act from January 1, 2014 to January 1, 2023. Effective July 1, 2012.

LRB097 20475 CEL 66007 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. The Regulatory Sunset Act is amended by changing
5 Section 4.24 and by adding Section 4.33 as follows:

6 (5 ILCS 80/4.24)

7 Sec. 4.24. Acts repealed on January 1, 2014. The following
8 Acts are repealed on January 1, 2014:

9 The Electrologist Licensing Act.

10 The Illinois Certified Shorthand Reporters Act of 1984.

11 The Illinois Occupational Therapy Practice Act.

12 ~~The Illinois Public Accounting Act.~~

13 The Private Detective, Private Alarm, Private Security,
14 Fingerprint Vendor, and Locksmith Act of 2004.

15 The Registered Surgical Assistant and Registered Surgical
16 Technologist Title Protection Act.

17 The Veterinary Medicine and Surgery Practice Act of 2004.

18 (Source: P.A. 95-331, eff. 8-21-07; 95-613, eff. 9-11-07.)

19 (5 ILCS 80/4.33 new)

20 Sec. 4.33. Act repealed on January 1, 2023. The following
21 Act is repealed on January 1, 2023:

22 The Illinois Public Accounting Act.

1 Section 5. The Illinois Public Accounting Act is amended by
2 changing Sections 0.03, 2, 2.05, 2.1, 4, 5, 5.2, 9.02, 9.2,
3 9.3, 13, 14, 14.1, 14.2, 14.3, 16, 17.1, 17.2, 19, 20.01, 20.1,
4 20.2, 20.4, 20.5, 20.6, 21, 28, 30, 30.5, and 30.6 and by
5 adding Sections 0.04 and 8.05 as follows:

6 (225 ILCS 450/0.03) (from Ch. 111, par. 5500.03)

7 (Section scheduled to be repealed on January 1, 2014)

8 Sec. 0.03. Definitions. As used in this Act, unless the
9 context otherwise requires:

10 "Accountancy activities" means the services as set forth in
11 Section 8.05 of this Act.

12 "Address of record" means the designated address recorded
13 by the Department in the applicant's or licensee's application
14 file or license file maintained by the Department's licensure
15 maintenance unit. It is the duty of the applicant or licensee
16 to inform the Department of any change of address and those
17 changes must be made either through the Department's website or
18 by directly contacting the Department.

19 "Certificate" means a certificate issued by the Board or
20 University or similar jurisdictions specifying an individual
21 has successfully passed all sections and requirements of the
22 Uniform Certified Public Accountants Examination. A
23 certificate issued by the Board or University or similar
24 jurisdiction does not confer the ability to use the CPA title

1 and is not equivalent to a registration or license under this
2 Act.

3 "Compilation" means providing a service to be performed in
4 accordance with Statements on Standards for Accounting and
5 Review Services that is presented in the form of financial
6 statements or information that is the representation of
7 management or owners without undertaking to express any
8 assurance on the statements.

9 "CPA" or "C.P.A." means a certified public accountant who
10 holds a license or registration issued by the Department or an
11 individual authorized to use the CPA title under Section 5.2 of
12 this Act.

13 "CPA firm" means a sole proprietorship, a corporation, a
14 partnership, or any other form of organization issued a license
15 in accordance with this Act.

16 "CPA (inactive)" means a licensed certified public
17 accountant who elects to have the Department place his or her
18 license on inactive status pursuant to Section 17.2 of this
19 Act.

20 "Financial statement" means a structured presentation of
21 historical financial information, including, but not limited
22 to, related notes intended to communicate an entity's economic
23 resources and obligations at a point in time or the changes
24 therein for a period of time in accordance with generally
25 accepted accounting principles (GAAP) or other comprehensive
26 basis of accounting (OCBOA).

1 "Other attestation engagements" means an engagement
2 performed in accordance with the Statements on Standards for
3 Attestation Engagements.

4 ~~(a)~~ "Registered Certified Public Accountant" or
5 "registered CPA" means any person who has been issued a
6 registration under this Act as a Registered Certified Public
7 Accountant.

8 "Report", when used with reference to financial
9 statements, means an opinion, report, or other form of language
10 that states or implies assurance as to the reliability of any
11 financial statements and that also includes or is accompanied
12 by any statement or implication that the person or firm issuing
13 it has special knowledge or competence in accounting or
14 auditing. Such a statement or implication of special knowledge
15 or competence may arise from use by the issuer of the report of
16 names or titles indicating that the person or firm is an
17 accountant or auditor, or from the language of the report
18 itself. "Report" includes any form of language that disclaims
19 an opinion when the form of language is conventionally
20 understood to imply any positive assurance as to the
21 reliability of the financial statements referred to or special
22 competence on the part of the person or firm issuing such
23 language; it includes any other form of language that is
24 conventionally understood to imply such assurance or such
25 special knowledge or competence.

26 ~~(b)~~ "Licensed Certified Public Accountant" or "licensed

1 CPA" means any person licensed under this Act as a Licensed
2 Certified Public Accountant.

3 ~~(e)~~ "Committee" means the Public Accountant Registration
4 Committee appointed by the Secretary ~~Director~~.

5 ~~(d)~~ "Department" means the Department of Financial and
6 Professional Regulation.

7 ~~(e)~~ ~~"Director"~~ means ~~the Director of Professional~~
8 ~~Regulation.~~

9 ~~(f)~~ "License", "licensee" and "licensure" refers to the
10 authorization to practice under the provisions of this Act.

11 ~~(g)~~ "Peer review program" means a study, appraisal, or
12 review of one or more aspects of a firm's or sole
13 practitioner's compliance with applicable accounting,
14 auditing, and other attestation standards adopted by generally
15 recognized standard-setting bodies ~~the professional work of a~~
16 ~~firm or sole practitioner in the practice of public accounting~~
17 ~~to determine the degree of compliance by the firm or sole~~
18 ~~practitioner with professional standards and practices,~~
19 ~~conducted by persons who hold current licenses to practice~~
20 ~~public accounting under the laws of this or another state and~~
21 ~~who are not affiliated with the firm or sole practitioner being~~
22 ~~reviewed.~~

23 "Principal place of business" means the office location
24 designated by the licensee from which the person directs,
25 controls, and coordinates his or her professional services.

26 ~~(h)~~ "Review committee" means any person or persons

1 conducting, reviewing, administering, or supervising a peer
2 review program.

3 "Secretary" means the Secretary of the Department of
4 Financial and Professional Regulation.

5 ~~(i)~~ "University" means the University of Illinois.

6 ~~(j)~~ "Board" means the Board of Examiners established under
7 Section 2.

8 ~~(k)~~ "Registration", "registrant", and "registered" refer
9 to the authorization to hold oneself out as or use the title
10 "Registered Certified Public Accountant" or "Certified Public
11 Accountant", unless the context otherwise requires.

12 ~~(l)~~ "Peer Review Administrator" means an organization
13 designated by the Department that meets the requirements of
14 subsection (f) of Section 16 of this Act and other rules that
15 the Department may adopt.

16 (Source: P.A. 93-683, eff. 7-2-04; 94-779, eff. 5-19-06.)

17 (225 ILCS 450/0.04 new)

18 Sec. 0.04. Applicability. This Act applies to any one of
19 the categories of licensure under this Act and the performance
20 of or offering to perform accountancy activities.

21 (225 ILCS 450/2) (from Ch. 111, par. 5502)

22 (Section scheduled to be repealed on January 1, 2014)

23 Sec. 2. Board of Examiners. The Governor shall appoint a
24 Board of Examiners that shall determine the qualifications of

1 persons applying for certificates and shall make rules for and
2 conduct examinations for determining the qualifications.

3 The Board shall consist of 11 examiners, including 2 public
4 members. The remainder shall be certified public accountants in
5 this State who have been residents of this State for at least 5
6 years immediately preceding their appointment, except that one
7 shall be either a certified public accountant of the grade
8 herein described or an attorney licensed and residing in this
9 State and one shall be a certified public accountant who is an
10 active or retired educator residing in this State. The term of
11 office of each examiner shall be 3 years, ~~except that upon the~~
12 ~~enactment of this amendatory Act of the 93rd General Assembly,~~
13 ~~those members currently serving on the Board shall continue to~~
14 ~~serve the duration of their terms, one additional examiner~~
15 ~~shall be appointed for a term of one year, and one additional~~
16 ~~examiner for a term of 2 years.~~ As the term of each examiner
17 expires, the appointment shall be filled for a term of 3 years
18 from the date of expiration. Any Board member who has served as
19 a member for 6 consecutive years shall not be eligible for
20 reappointment until 2 years after the end of the term in which
21 the sixth consecutive year of service occurred, except that
22 members of the Board serving on the effective date of this
23 Section shall be eligible for appointment to one additional
24 3-year term. Where the expiration of any member's term shall
25 result in less than 11 members then serving on the Board, the
26 member shall continue to serve until his or her successor is

1 appointed and has qualified. Except as otherwise provided in
2 this Section, no ~~No~~ Board member shall serve more than 2 full
3 consecutive terms. Anyone appointed to the Board shall be
4 ineligible to be appointed to the Illinois Public Accountants
5 Registration Committee appointed by the Secretary ~~Director~~.
6 Appointments to fill vacancies shall be made in the same manner
7 as original appointments for the unexpired portion of the
8 vacated term. The membership of the Board shall reasonably
9 reflect representation from the geographic areas in this State.
10 The members of the Board appointed by the Governor shall
11 receive reasonable compensation for their necessary,
12 legitimate, and authorized expenses in accordance with the
13 Governor's Travel Control Board rules and the Travel Regulation
14 Rules. The Governor may terminate the term of any member of the
15 Board at any time for cause.

16 Information regarding educational requirements, the
17 application process, the examination, and fees shall be
18 available on the Board's Internet web site as well as in
19 printed documents available from the Board's office.

20 The Board shall adopt all necessary and reasonable rules
21 and regulations for the effective administration of this Act.
22 Without limiting the foregoing, the Board shall adopt and
23 prescribe rules and regulations for a fair and impartial method
24 of determining the qualifications of applicants for
25 examination and for a fair and impartial method of examination
26 of persons under Section 2 and may establish rules for subjects

1 conditioned and for the transfer of credits from other
2 jurisdictions with respect to subjects passed.

3 The Board shall make an annual report of its activities to
4 the Governor and the Secretary ~~Director~~. This report shall
5 include a complete operating and financial statement covering
6 its operations during the year, the number of examinations
7 given, the pass/fail ratio for examinations, and any other
8 information deemed appropriate. The Board shall have an audit
9 of its books and accounts every 2 years by the Auditor General.
10 (Source: P.A. 92-457, eff. 7-1-04; 93-629, eff. 12-23-03;
11 93-683, eff. 7-2-04.)

12 (225 ILCS 450/2.05)

13 (Section scheduled to be repealed on January 1, 2014)

14 Sec. 2.05. Public Accountant Registration Committee. The
15 Secretary ~~Director~~ shall appoint a Public Accountant
16 Registration Committee consisting of 7 persons, who shall be
17 appointed by and shall serve in an advisory capacity to the
18 Secretary ~~Director~~. Six members must be ~~licensed public~~
19 ~~accountants or~~ Licensed Certified Public Accountants in good
20 standing and must be actively engaged in the performance of
21 accountancy activities as outlined in paragraph (1) of
22 subsection (a) of Section 8.05 ~~practice of public accounting~~ in
23 this State and one member must be a member of the public who is
24 not licensed under this Act or a similar Act of another
25 jurisdiction and who has no connection with the accounting or

1 public accounting profession. Members shall serve 4-year terms
2 and until their successors are appointed and qualified. No
3 member shall be reappointed to the Committee for more than 2
4 full terms. Appointments to fill vacancies shall be made in the
5 same manner as original appointments for the unexpired portion
6 of the vacated term. The membership of the Committee shall
7 reasonably reflect representation from the geographic areas in
8 this State. The members of the Committee appointed by the
9 Secretary ~~Director~~ shall receive reasonable compensation, as
10 determined by the Department, for the necessary, legitimate,
11 and authorized expenses approved by the Department. All
12 expenses shall be paid from the Registered Certified Public
13 Accountants' Administration and Disciplinary Fund. The
14 Secretary ~~Director~~ may terminate the appointment of any member
15 for cause. The Secretary ~~Director~~ shall consider the advice and
16 recommendations of the Committee on questions involving
17 standards of professional conduct, discipline, and
18 qualifications of candidates and licensees under this Act.

19 (Source: P.A. 93-683, eff. 7-2-04.)

20 (225 ILCS 450/2.1) (from Ch. 111, par. 5503)

21 (Section scheduled to be repealed on January 1, 2014)

22 Sec. 2.1. Administrative Procedure Act. The Illinois
23 Administrative Procedure Act is hereby expressly adopted and
24 incorporated herein as if all of the provisions of that Act
25 were included in this Act, except that the provision of

1 subsection (d) of Section 10-65 of the Illinois Administrative
2 Procedure Act that provides that at hearings the licensee has
3 the right to show compliance with all lawful requirements for
4 retention, continuation or renewal of the license is
5 specifically excluded. For the purposes of this Act the notice
6 required under Section 10-25 of the Administrative Procedure
7 Act is deemed sufficient when mailed to the licensee's address
8 of record ~~the last known address of a party.~~

9 (Source: P.A. 88-45.)

10 (225 ILCS 450/4) (from Ch. 111, par. 5505)

11 (Section scheduled to be repealed on January 1, 2014)

12 Sec. 4. Transitional language.

13 (a) The provisions of this Act shall not be construed to
14 invalidate any certificates as certified public accountants
15 issued by the University under "An Act to regulate the
16 profession of public accountants", approved May 15, 1903, as
17 amended, or any certificates as Certified Public Accountants
18 issued by the University or the Board under Section 4 of "An
19 Act to regulate the practice of public accounting and to repeal
20 certain acts therein named", approved July 22, 1943, as
21 amended, which certificates shall be valid and in force as
22 though issued under the provisions of this Act.

23 (b) Before July 1, 2012, persons who have received a
24 Certified Public Accountant (CPA) Certificate issued by the
25 Board or University ~~of Examiners~~ or holding similar

1 certifications from other jurisdictions with equivalent
2 educational requirements and examination standards may apply
3 to the Department on forms supplied by the Department for and
4 may be granted a registration as a Registered Certified Public
5 Accountant from the Department upon payment of the required
6 fee.

7 (c) Beginning with the 2006 renewal, the Department shall
8 cease to issue a license as a Public Accountant. Any person
9 holding a valid license as a Public Accountant prior to
10 September 30, 2006 who meets the conditions for renewal of a
11 license under this Act, shall be issued a license as a Licensed
12 Certified Public Accountant under this Act and shall be subject
13 to continued regulation by the Department under this Act. The
14 Department may adopt rules to implement this Section.

15 (d) The Department shall not issue any new registrations as
16 a Registered Certified Public Accountant on or after July 1,
17 2012. After that date, any applicant for licensure under this
18 Act shall apply for a license as a Licensed Certified Public
19 Accountant and shall meet the requirements set forth in this
20 Act. Any person issued a Certified Public Accountant
21 certificate who has been issued a registration as a Registered
22 Certified Public Accountant may renew the registration under
23 the provisions of this Act and that person may continue to
24 renew or restore the registration during his or her lifetime,
25 subject only to the renewal or restoration requirements for the
26 registration under this Act. Such registration shall be subject

1 to the disciplinary provisions of this Act.

2 (e) (Blank). ~~On and after October 1, 2006, no person shall~~
3 ~~hold himself or herself out to the public in this State in any~~
4 ~~manner by using the title "certified public accountant" or use~~
5 ~~the abbreviation "C.P.A." or "CPA" or any words or letters to~~
6 ~~indicate that the person using the same is a certified public~~
7 ~~accountant unless he or she maintains a current registration or~~
8 ~~license issued by the Department or is exercising the practice~~
9 ~~privilege afforded under Section 5.2 of this Act. It shall be a~~
10 ~~violation of this Act for an individual to assume or use the~~
11 ~~title "certified public accountant" or use the abbreviation~~
12 ~~"C.P.A." or "CPA" or any words or letters to indicate that the~~
13 ~~person using the same is a certified public accountant in this~~
14 ~~State unless he or she maintains a current registration or~~
15 ~~license issued by the Department or is exercising the practice~~
16 ~~privilege afforded under Section 5.2 of this Act.~~

17 (Source: P.A. 95-386, eff. 1-1-08; 96-945, eff. 6-25-10.)

18 (225 ILCS 450/5) (from Ch. 111, par. 5506)

19 (Section scheduled to be repealed on January 1, 2014)

20 Sec. 5. Certification of out-of-State accountants.

21 (a) Upon review of an applicant's educational and
22 examination credentials by the Board ~~of Examiners~~, the
23 Department may issue a registration as a registered certified
24 public accountant, without examination, to any applicant who
25 holds a valid unrevoked certificate as a certified public

1 accountant issued under the laws of any other state or
2 territory of the United States or the District of Columbia,
3 provided:

4 (1) that the state that issued the certificate has
5 certification requirements that have been determined by
6 the Board to be substantially equivalent to the
7 certification requirements of Illinois and grants similar
8 rights to those that Illinois grants to certificate
9 holders;

10 (2) that the state that issued the certificate has
11 certification requirements that the Board has determined
12 not to be substantially equivalent to the certification
13 requirements of Illinois or does not grant similar rights
14 to Illinois certificate holders, but the Board determines
15 that the individual applicant possesses personal
16 qualifications substantially equivalent to Illinois'
17 certification requirements; or

18 (3) that the applicant does not qualify under
19 subsections (1) or (2) above, but the following conditions
20 are met:

21 (A) the certificate was granted to the applicant on
22 the basis of the Uniform Certified Public Accountant
23 examination; and

24 (B) the educational qualifications of the
25 applicant for a certificate, at the time of the written
26 examination, were equivalent to the educational

1 qualifications then required of applicants for
2 admission to the Illinois examination for certified
3 public accountant or, the applicant has, after passing
4 the examination upon which his or her certificate was
5 based, not less than 5 years of experience in the
6 practice of public accounting within the 10 years
7 immediately preceding this application, otherwise
8 reasonably considered acceptable by the Board.

9 (b) In determining the substantial equivalency of the
10 requirements for certification or the rights granted to
11 certificate holders pursuant to this Section, the Department
12 may rely on the determinations of the National Qualification
13 Appraisal Service of the National Association of State Boards
14 of Accountancy or any other qualification appraisal service, as
15 it deems appropriate.

16 (Source: P.A. 93-683, eff. 7-2-04.)

17 (225 ILCS 450/5.2)

18 (Section scheduled to be repealed on January 1, 2014)

19 Sec. 5.2. Substantial equivalency.

20 (a) An individual whose principal place of business is not
21 in this State shall have all the privileges of a person
22 licensed under this Act as a licensed certified public
23 accountant without the need to obtain a license or registration
24 from the Department or to file notice with the Department, if
25 the individual:

1 (1) holds a valid license as a certified public
2 accountant issued by another state that the National
3 Qualification Appraisal Service of the National
4 Association of State Boards of Accountancy has verified to
5 be in substantial equivalence with the CPA licensure
6 requirements of the Uniform Accountancy Act of the American
7 Institute of Certified Public Accountants and the National
8 Association of State Boards of Accountancy; or

9 (2) holds a valid license as a certified public
10 accountant issued by another state and obtains from the
11 National Qualification Appraisal Service of the National
12 Association of State Boards of Accountancy verification
13 that the individual's CPA qualifications are substantially
14 equivalent to the CPA licensure requirements of the Uniform
15 Accountancy Act of the American Institute of Certified
16 Public Accountants and the National Association of State
17 Boards of Accountancy; however, any individual who has
18 passed the Uniform CPA Examination and holds a valid
19 license issued by any other state prior to January 1, 2012
20 shall be exempt from the education requirements of Section
21 3 of this Act for the purposes of this item (2).

22 (b) Notwithstanding any other provision of law, an
23 individual who offers or renders professional services under
24 this Section, whether in person or by mail, telephone, or
25 electronic means, shall be granted practice privileges in this
26 State and no notice or other submission must be provided by any

1 such individual.

2 (c) An individual licensee of another state who is
3 exercising the privilege afforded under this Section and the
4 CPA firm that employs such individual, if any, as a condition
5 of the grant of this privilege, hereby simultaneously consents:

6 (1) to the personal and subject matter jurisdiction and
7 disciplinary authority of the Department;

8 (2) to comply with this Act and the Department's rules
9 adopted under this Act;

10 (3) that in the event that the license from the state
11 of the individual's principal place of business is no
12 longer valid, the individual shall cease offering or
13 rendering accountancy activities as outlined in paragraphs
14 (1) and (2) of Section 8.05 ~~professional services~~ in this
15 State individually or on behalf of a CPA firm; and

16 (4) to the appointment of the state board that issued
17 the individual's or the CPA firm's license as the agent
18 upon which process may be served in any action or
19 proceeding by the Department against the individual.

20 (d) An individual licensee who qualifies for practice
21 privileges under this Section who, for any entity headquartered
22 in this State, performs (i) a financial statement audit or
23 other engagement in accordance with Statements on Auditing
24 Standards; (ii) an examination of prospective financial
25 information in accordance with Statements on Standards for
26 Attestation Engagements; or (iii) an engagement in accordance

1 with Public Company Accounting Oversight Board Auditing
2 Standards may only do so through a firm licensed under this
3 Act.

4 (Source: P.A. 95-386, eff. 1-1-08.)

5 (225 ILCS 450/8.05 new)

6 Sec. 8.05. Accountancy activities.

7 (a) Accountancy activities are services performed by a CPA,
8 including:

9 (1) signing, affixing, or associating the names used by
10 a CPA firm to any report expressing an assurance on a
11 financial statement or disclaiming an opinion on a
12 financial statement based on an audit or examination of
13 that statement or to express assurance on a financial
14 statement;

15 (2) other attestation engagements not otherwise
16 defined in paragraph (1); or

17 (3) offering to perform or performing one or more types
18 of the following services involving the use of professional
19 skills or competencies: accounting, management, financial
20 or consulting services, compilations, internal audit,
21 preparation of tax returns, furnishing advice on tax
22 matters, or representations of taxpayers; this includes
23 the teaching of any of these areas at the college or
24 university level.

25 (b) If offering or performing accountancy activities using

1 the CPA title set forth in paragraphs (1), (2), and (3) of
2 subsection (a) of this Section, then:

3 (1) the activities identified in subsection (1) may
4 only be performed by licensed CPA's;

5 (2) the activities identified in subsection (2) may
6 only be performed by licensed or registered CPA's; and

7 (3) the activities identified in subsection (3) are not
8 restricted to licensed or registered CPA's, subject to the
9 provisions of Section 9.02 of this Act.

10 (225 ILCS 450/9.02)

11 (Section scheduled to be repealed on January 1, 2014)

12 Sec. 9.02. Unauthorized use of title; violation; civil
13 penalty.

14 (a) The use of the title "certified public accountant" or
15 abbreviation "C.P.A." or any similar terms that may be
16 misleading to the public indicating that an individual or the
17 members of a CPA firm are certified public accountants is
18 prohibited unless (1) the individual or members are holders of
19 an effective unrevoked license or registration or qualify for
20 the practice privilege under Section 5.2 of this Act and (2)
21 the CPA firm is licensed as a certified public accounting firm
22 or a professional service corporation by the Department. ~~Any~~
23 ~~person who holds himself or herself out to the public as a~~
24 ~~certified public accountant in this State by using the title~~
25 ~~"certified public accountant" or the abbreviation "CPA" or any~~

1 ~~words or letters to indicate that the person using the same is~~
2 ~~a certified public accountant without having been issued a~~
3 ~~registration or a license as a certified public accountant~~
4 ~~under the provisions of this Act or without qualifying for the~~
5 ~~practice privilege under Section 5.2 of this Act shall, in~~
6 ~~addition to any other penalty provided by law, pay a civil~~
7 ~~penalty to the Department in an amount not to exceed \$5,000 for~~
8 ~~each offense as determined by the Department. The civil penalty~~
9 ~~shall be assessed by the Department after a hearing is held in~~
10 ~~accordance with the provisions set forth in this Act regarding~~
11 ~~the provision of a hearing for the discipline of a licensee.~~

12 (a-5) A civil penalty may be assessed by the Department in
13 an amount not to exceed \$10,000 for each offense as determined
14 by the Department and in addition to any other civil penalty
15 provided by law. The civil penalty shall be assessed by the
16 Department after a hearing is held in accordance with the
17 provisions set forth in this Act regarding the provision of a
18 hearing for the discipline of a licensee.

19 (b) The Department has the authority and power to
20 investigate any and all alleged improper use of the certified
21 public accountant title or CPA designation and any and all
22 unlicensed activity.

23 (c) The civil penalty shall be paid within 60 days after
24 the effective date of the order imposing the civil penalty. The
25 order shall constitute a judgment and may be filed and
26 execution had thereon in the same manner as any judgment from

1 any court of record.

2 (Source: P.A. 95-386, eff. 1-1-08.)

3 (225 ILCS 450/9.2) (from Ch. 111, par. 5510.2)

4 (Section scheduled to be repealed on January 1, 2014)

5 Sec. 9.2. Powers and duties of the Department.

6 (a) The Department shall exercise the powers and duties
7 prescribed by "The Civil Administrative Code of Illinois" for
8 the administration of licensing acts and shall exercise such
9 other powers and duties invested by this Act.

10 (b) The Secretary ~~Director~~ may promulgate rules consistent
11 with the provisions of this Act for the administration and
12 enforcement of the provisions of this Act for which the
13 Department is responsible and for the payment of fees connected
14 therewith and may prescribe forms which shall be issued in
15 connection therewith. The rules shall include standards and
16 criteria for licensure and professional conduct and
17 discipline.

18 (c) The Department may solicit the advice and expert
19 knowledge of the Committee or the Board on any matter relating
20 to the administration and enforcement of this Act.

21 The Department may in its discretion, but shall not be
22 required to, employ or utilize the legal services of outside
23 counsel and the investigative services of outside personnel to
24 assist the Department and is authorized to pay for such
25 services from the Registered Certified Public Accountants'

1 Administration and Disciplinary Fund.

2 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

3 (225 ILCS 450/9.3)

4 (Section scheduled to be repealed on January 1, 2014)

5 Sec. 9.3. Sharing of information. Notwithstanding any
6 other provision of this Act, for the purpose of carrying out
7 their respective duties and responsibilities under this Act and
8 to effectuate the purpose of this Act, both the Board ~~of~~
9 ~~Examiners~~ and the Department of Financial and Professional
10 Regulation are authorized and directed to share information
11 with each other regarding those individuals and entities
12 licensed or certified or applying for licensure or
13 certification under this Act.

14 (Source: P.A. 94-779, eff. 5-19-06.)

15 (225 ILCS 450/13) (from Ch. 111, par. 5514)

16 (Section scheduled to be repealed on January 1, 2014)

17 Sec. 13. Application for licensure.

18 (a) A person, CPA firm, domestic or foreign entity
19 organized as a sole proprietorship, professional service
20 corporation, partnership, or registered limited liability
21 partnership or any other form of organization that is
22 performing accountancy activities in accordance with this Act
23 ~~limited liability company, or corporation desiring to practice~~
24 ~~public accounting~~ in this State shall make application to the

1 Department ~~for licensure as a licensed certified public~~
2 ~~accountant~~ and shall pay the fee required by rule.

3 Applicants have 3 years from the date of application to
4 complete the application process. If the process has not been
5 completed in 3 years, the application shall be denied, the fee
6 forfeited and the applicant must reapply and meet the
7 requirements in effect at the time of reapplication.

8 (b) Any firm, whether organized as a partnership, limited
9 liability company, corporation, or other entity, that (i) has
10 an office in this State that uses the title "CPA" or "CPA
11 firm"; (ii) has an office in this State that performs
12 accountancy activities ~~public accounting services~~, as defined
13 in paragraph (1) of Section 8.05 ~~&~~ of this Act; or (iii) does
14 not have an office in this State, but performs ~~attest~~ services,
15 as set forth in subsection (d) of Section 5.2 of this Act, for
16 a client that has its home office in this State must hold a
17 license issued under this Act.

18 (c) A firm that does not have an office in this State may
19 perform a review of a financial statement in accordance with
20 the Statements on Standards for Accounting and Review Services
21 for a client with its home office in this State and may use the
22 title "CPA" or "CPA firm" without obtaining a license under
23 this Act, only if the firm (i) performs such services through
24 individuals with practice privileges under Section 5.2 of this
25 Act; (ii) satisfies any peer review requirements in those
26 states in which the individuals with practice privileges under

1 Section 5.2 have their principal place of business; and (iii)
2 meets the qualifications set forth in item (2) of subsection
3 (b) of Section 14 of this Act.

4 (d) A firm that is not subject to the requirements of
5 subsection (b) or (c) of this Section may perform professional
6 services that are not regulated under subsection (b) or (c) of
7 this Section while using the title "CPA" or "CPA firm" in this
8 State without obtaining a license under this Act if the firm
9 (i) performs such services through individuals with practice
10 privileges under Section 5.2 of this Act and (ii) may lawfully
11 perform such services in the state where those individuals with
12 practice privileges under Section 5.2 of this Act have their
13 principal place of business.

14 (Source: P.A. 95-386, eff. 1-1-08.)

15 (225 ILCS 450/14) (from Ch. 111, par. 5515)

16 (Section scheduled to be repealed on January 1, 2014)

17 Sec. 14. Qualifications. The Department may license as
18 licensed certified public accountants the following:

19 (a) All persons who have received certificates as certified
20 public accountants from the Board or who hereafter receive
21 registrations as registered certified public accountants from
22 the Department who have had at least one year of full-time
23 experience, or its equivalent, providing any type of service or
24 advice involving the use of accounting, ~~attest,~~ audit,
25 management advisory, financial advisory, tax, ~~or~~ consulting

1 skills, or other attestation engagements which may be gained
2 through employment in government, industry, academia, or
3 public practice.

4 If the applicant's certificate as a certified public
5 accountant from the Board or the applicant's registration as a
6 Registered Certified Public Accountant ~~registered certified~~
7 ~~public accountant~~ from the Department was issued more than 4
8 years prior to the application for a license under this
9 Section, the applicant shall submit any evidence the Department
10 may require showing the applicant has completed not less than
11 90 hours of continuing professional education acceptable to the
12 Department within the 3 years immediately preceding the date of
13 application.

14 (b) All partnerships, limited liability companies, or
15 corporations, or other entities ~~engaged in the practice of~~
16 ~~public accounting~~ in this State and meeting the following
17 requirements:

18 (1) (Blank).

19 (2) A majority of the ownership of the firm, in terms
20 of financial interests and voting rights of all partners,
21 officers, shareholders, members, or managers, belongs to
22 persons licensed in some state, and the partners, officers,
23 shareholders, members, or managers whose principal place
24 of business is in this State and who perform accountancy
25 activities ~~practice public accounting~~ in this State, as
26 defined in paragraph (1) of Section 8.05 ~~§~~ of this Act,

1 hold a valid license issued by this State. An individual
2 exercising the practice privilege afforded under Section
3 5.2 who performs services for which a firm license is
4 required under subsection (d) of Section 5.2 shall not be
5 required to obtain an individual license under this Act.

6 (3) It shall be lawful for a nonprofit cooperative
7 association engaged in rendering an auditing and
8 accounting service to its members only, to continue to
9 render that service provided that the rendering of auditing
10 and accounting service by the cooperative association
11 shall at all times be under the control and supervision of
12 licensed certified public accountants.

13 (4) The Department may adopt rules and regulations as
14 necessary to provide for the practice of public accounting
15 by business entities that may be otherwise authorized by
16 law to conduct business in Illinois.

17 (5) A majority of the ownership of the firm, in terms
18 of financial interests and voting rights of all partners,
19 officers, shareholders, members, or managers, belongs to
20 the person or persons that hold a valid registered CPA
21 credential in some state, and the partners, officers,
22 shareholders, members, or managers whose principal place
23 of business is in this State and hold a valid registration
24 issued by this State.

25 (Source: P.A. 95-386, eff. 1-1-08.)

1 (225 ILCS 450/14.1)

2 (Section scheduled to be repealed on January 1, 2014)

3 Sec. 14.1. Foreign accountants. The Department may ~~shall~~
4 issue a license as a licensed CPA to a holder of a foreign
5 designation, granted in a foreign country ~~entitling the holder~~
6 ~~thereof to engage in the practice of public accounting,~~
7 provided that:

8 (a) the applicant is the holder of a certificate as a
9 certified public accountant from the Board or a
10 registration as a registered certified public accountant
11 from the Department issued under this Act;

12 (b) the foreign authority that granted the designation
13 makes similar provision to allow a person who holds a valid
14 license issued by this State to obtain a foreign
15 authority's comparable designation;

16 (c) the foreign designation (i) was duly issued by a
17 foreign authority that regulates the practice of public
18 accounting and the foreign designation has not expired or
19 been revoked or suspended; (ii) entitles the holder to
20 issue reports upon financial statements; and (iii) was
21 issued upon the basis of educational, examination, and
22 experience requirements established by the foreign
23 authority or by law; and

24 (d) the applicant (i) received the designation based on
25 standards substantially equivalent to those in effect in
26 this State at the time the foreign designation was granted;

1 and (ii) completed an experience requirement,
2 substantially equivalent to the requirement set out in
3 Section 14, in the jurisdiction that granted the foreign
4 designation ~~or has completed 5 years of experience in the~~
5 ~~practice of public accounting in this State,~~ or meets
6 equivalent requirements prescribed by the Department by
7 rule, within the 10 years immediately preceding the
8 application.

9 Applicants have 3 years from the date of application to
10 complete the application process. If the process has not been
11 completed in 3 years, the application shall be denied, the fee
12 shall be forfeited, and the applicant must reapply and meet the
13 requirements in effect at the time of reapplication.

14 (Source: P.A. 95-331, eff. 8-21-07.)

15 (225 ILCS 450/14.2)

16 (Section scheduled to be repealed on January 1, 2014)

17 Sec. 14.2. Licensure by endorsement.

18 (a) The Department shall issue a license as a licensed
19 certified public accountant to any applicant who holds a valid
20 license or similar certification ~~certificate~~ as a certified
21 public accountant issued from any state ~~by the Board of~~
22 ~~Examiners or similar certification from another jurisdiction~~
23 with equivalent educational requirements and examination
24 standards, applies to the Department on forms supplied by the
25 Department, and pays the required fee, provided:

1 (1) the individual applicant is determined by the
2 Department to possess qualifications substantially
3 equivalent to this State's current licensing requirements;

4 (2) at the time the applicant received his or her
5 current valid and unrevoked license or permit, the
6 applicant possessed qualifications substantially
7 equivalent to the qualifications for licensure then in
8 effect in this State; or

9 (3) the applicant has, after passing the examination
10 upon which his or her license or other permit to practice
11 was based, not less than 4 years of experience as outlined
12 in Section 14 of this Act ~~in the practice of public~~
13 ~~accounting~~ within the 10 years immediately before the
14 application.

15 (b) In determining the substantial equivalency of any
16 state's requirements to Illinois' requirements, the Department
17 may rely on the determinations of the National Qualification
18 Appraisal Service of the National Association of State Boards
19 of Accountancy or such other qualification appraisal service as
20 it deems appropriate.

21 (c) Applicants have 3 years from the date of application to
22 complete the application process. If the process has not been
23 completed in 3 years, the application shall be denied, the fee
24 shall be forfeited, and the applicant must reapply and meet the
25 requirements in effect at the time of reapplication.

26 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

1 (225 ILCS 450/14.3)

2 (Section scheduled to be repealed on January 1, 2014)

3 Sec. 14.3. Additional requirements for firms. In addition
4 to the ownership requirements set forth in subsection (b) of
5 Section 14, all firms licensed under this Act shall meet the
6 following requirements:

7 (a) All owners of the firm, whether licensed or not, shall
8 be active participants in the firm or its affiliated entities.

9 (b) An individual who supervises services for which a
10 license is required under paragraph (1) of Section 8.05 ~~§~~ of
11 this Act, who signs or authorizes another to sign any report
12 for which a license is required under paragraph (1) of Section
13 8.05 ~~§~~ of this Act, or who supervises services for which a firm
14 license is required under subsection (d) of Section 5.2 of this
15 Act shall hold a valid, active Licensed Certified Public
16 Accountant license from this State or another state and shall
17 comply with such additional experience requirements as may be
18 required by rule of the Department.

19 (c) The firm shall require that all owners of the firm,
20 whether or not certified or licensed under this Act, comply
21 with rules promulgated under this Act.

22 (d) The firm shall designate to the Department in writing
23 an individual licensed under this Act or, in the case of a firm
24 that must have a license pursuant to subsection (b) of Section
25 13 of this Act, a licensee of another state who meets the

1 requirements set out in item (1) or (2) of subsection (a) of
2 Section 5.2 of this Act, who shall be responsible for the
3 proper registration of the firm.

4 (e) Applicants have 3 years from the date of application to
5 complete the application process. If the process has not been
6 completed in 3 years, the application shall be denied, the fee
7 shall be forfeited, and the applicant must reapply and meet the
8 requirements in effect at the time of reapplication.

9 (Source: P.A. 94-779, eff. 5-19-06; 95-386, eff. 1-1-08.)

10 (225 ILCS 450/16) (from Ch. 111, par. 5517)

11 (Section scheduled to be repealed on January 1, 2014)

12 Sec. 16. Expiration and renewal of licenses; renewal of
13 registration; continuing education.

14 (a) The expiration date and renewal period for each license
15 issued under this Act shall be set by rule.

16 (b) Every holder of a license or registration under this
17 Act may renew such license or registration before the
18 expiration date upon payment of the required renewal fee as set
19 by rule.

20 (c) Every application for renewal of a license by a
21 licensed certified public accountant who has been licensed
22 under this Act for 3 years or more shall be accompanied or
23 supported by any evidence the Department shall prescribe, in
24 satisfaction of completing, each 3 years, not less than 120
25 hours of continuing professional education as prescribed by

1 ~~Department rules programs in subjects given by continuing~~
2 ~~education sponsors registered by the Department upon~~
3 ~~recommendation of the Committee.~~ Of the 120 hours, not less
4 than 4 hours shall be courses covering the subject of
5 professional ethics. All continuing education sponsors
6 applying to the Department for registration shall be required
7 to submit an initial nonrefundable application fee set by
8 Department rule. Each registered continuing education sponsor
9 shall be required to pay an annual renewal fee set by
10 Department rule. Publicly supported colleges, universities,
11 and governmental agencies located in Illinois are exempt from
12 payment of any fees required for continuing education sponsor
13 registration. Failure by a continuing education sponsor to be
14 licensed or pay the fees prescribed in this Act, or to comply
15 with the rules and regulations established by the Department
16 under this Section regarding requirements for continuing
17 education courses or sponsors, shall constitute grounds for
18 revocation or denial of renewal of the sponsor's registration.

19 (d) Licensed Certified Public Accountants are exempt from
20 the continuing professional education requirement for the
21 first renewal period following the original issuance of the
22 license.

23 ~~Notwithstanding the provisions of subsection (c), the~~
24 ~~Department may accept courses and sponsors approved by other~~
25 ~~states, by the American Institute of Certified Public~~
26 ~~Accountants, by other state CPA societies, or by national~~

1 ~~accrediting organizations such as the National Association of~~
2 ~~State Boards of Accountancy.~~

3 Failure by an applicant for renewal of a license as a
4 licensed certified public accountant to furnish the evidence
5 shall constitute grounds for disciplinary action, unless the
6 Department in its discretion shall determine the failure to
7 have been due to reasonable cause. The Department, in its
8 discretion, may renew a license despite failure to furnish
9 evidence of satisfaction of requirements of continuing
10 education upon condition that the applicant follow a particular
11 program or schedule of continuing education. In issuing rules
12 and individual orders in respect of requirements of continuing
13 education, the Department in its discretion may, among other
14 things, use and rely upon guidelines and pronouncements of
15 recognized educational and professional associations; may
16 prescribe rules for the content, duration, and organization of
17 courses; shall take into account the accessibility to
18 applicants of such continuing education as it may require, and
19 any impediments to interstate practice of public accounting
20 that may result from differences in requirements in other
21 states; and may provide for relaxation or suspension of
22 requirements in regard to applicants who certify that they do
23 not intend to engage in the performance of accountancy
24 activities ~~practice of public accounting~~, and for instances of
25 individual hardship.

26 The Department shall establish by rule a means for the

1 verification of completion of the continuing education
2 required by this Section. This verification may be accomplished
3 through audits of records maintained by licensees; by requiring
4 the filing of continuing education certificates with the
5 Department; or by other means established by the Department.

6 The Department may establish, by rule, guidelines for
7 acceptance of continuing education on behalf of licensed
8 certified public accountants taking continuing education
9 courses in other jurisdictions.

10 (e) For renewals on and after July 1, 2012, as a condition
11 for granting a renewal license to firms and sole practitioners
12 who perform accountancy activities outlined in paragraph (1) of
13 Section 8.05 ~~provide services requiring a license~~ under this
14 Act, the Department shall require that the firm or sole
15 practitioner satisfactorily complete a peer review during the
16 immediately preceding 3-year period, accepted by a Peer Review
17 Administrator in accordance with established standards for
18 performing and reporting on peer reviews, unless the firm or
19 sole practitioner is exempted under the provisions of
20 subsection (i) of this Section. A firm or sole practitioner
21 shall, at the request of the Department, submit to the
22 Department a letter from the Peer Review Administrator stating
23 the date on which the peer review was satisfactorily completed.

24 A new firm or sole practitioner not subject to subsection
25 (1) of this Section shall undergo its first peer review during
26 the first full renewal cycle after it is granted its initial

1 license.

2 The requirements of this subsection (e) shall not apply to
3 any person providing services requiring a license under this
4 Act to the extent that such services are provided in the
5 capacity of an employee of the Office of the Auditor General or
6 to a nonprofit cooperative association engaged in the rendering
7 of licensed service to its members only under paragraph (3) of
8 subsection (b) of Section 14 of this Act or any of its
9 employees to the extent that such services are provided in the
10 capacity of an employee of the association.

11 (f) The Department shall approve only Peer Review
12 Administrators that the Department finds comply with
13 established standards for performing and reporting on peer
14 reviews. The Department may adopt rules establishing
15 guidelines for peer reviews, which shall do all of the
16 following:

17 (1) Require that a peer review be conducted by a
18 reviewer that is independent of the firm reviewed and
19 approved by the Peer Review Administrator under
20 established standards.

21 (2) Other than in the peer review process, prohibit the
22 use or public disclosure of information obtained by the
23 reviewer, the Peer Review Administrator, or the Department
24 during or in connection with the peer review process. The
25 requirement that information not be publicly disclosed
26 shall not apply to a hearing before the Department that the

1 firm or sole practitioner requests be public or to the
2 information described in paragraph (3) of subsection (i) of
3 this Section.

4 (g) If a firm or sole practitioner fails to satisfactorily
5 complete a peer review as required by subsection (e) of this
6 Section or does not comply with any remedial actions determined
7 necessary by the Peer Review Administrator, the Peer Review
8 Administrator shall notify the Department of the failure and
9 shall submit a record with specific references to the rule,
10 statutory provision, professional standards, or other
11 applicable authority upon which the Peer Review Administrator
12 made its determination and the specific actions taken or failed
13 to be taken by the licensee that in the opinion of the Peer
14 Review Administrator constitutes a failure to comply. The
15 Department may at its discretion or shall upon submission of a
16 written application by the firm or sole practitioner hold a
17 hearing under Section 20.1 of this Act to determine whether the
18 firm or sole practitioner has complied with subsection (e) of
19 this Section. The hearing shall be confidential and shall not
20 be open to the public unless requested by the firm or sole
21 practitioner.

22 (h) The firm or sole practitioner reviewed shall pay for
23 any peer review performed. The Peer Review Administrator may
24 charge a fee to each firm and sole practitioner sufficient to
25 cover costs of administering the peer review program.

26 (i) A firm or sole practitioner shall be exempt from the

1 requirement to undergo a peer review if:

2 (1) Within 3 years before the date of application for
3 renewal licensure, the sole practitioner or firm has
4 undergone a peer review conducted in another state or
5 foreign jurisdiction that meets the requirements of
6 paragraphs (1) and (2) of subsection (f) of this Section.
7 The sole practitioner or firm shall, at the request of the
8 Department, submit to the Department a letter from the
9 organization administering the most recent peer review
10 stating the date on which the peer review was completed; or

11 (2) The sole practitioner or firm satisfies all of the
12 following conditions:

13 (A) during the preceding 2 years, the firm or sole
14 practitioner has not accepted or performed any
15 services requiring a license under this Act;

16 (B) the firm or sole practitioner agrees to notify
17 the Department within 30 days of accepting an
18 engagement for services requiring a license under this
19 Act and to undergo a peer review within 18 months after
20 the end of the period covered by the engagement; or

21 (3) For reasons of personal health, military service,
22 or other good cause, the Department determines that the
23 sole practitioner or firm is entitled to an exemption,
24 which may be granted for a period of time not to exceed 12
25 months.

26 (j) If a peer review report indicates that a firm or sole

1 practitioner complies with the appropriate professional
2 standards and practices set forth in the rules of the
3 Department and no further remedial action is required, the Peer
4 Review Administrator shall, after issuance of the final letter
5 of acceptance, destroy all working papers and documents related
6 to the peer review, other than report-related documents and
7 documents evidencing completion of remedial actions, if any, in
8 accordance with rules established by the Department.

9 (k) (Blank).

10 (Source: P.A. 96-945, eff. 6-25-10.)

11 (225 ILCS 450/17.1) (from Ch. 111, par. 5518.1)

12 (Section scheduled to be repealed on January 1, 2014)

13 Sec. 17.1. (a) Any registered certified public accountant
14 who has permitted his or her registration to expire or who has
15 had his or her registration on inactive status may have his or
16 her registration restored by making application to the
17 Department and filing proof acceptable to the Department as
18 defined by rule of his or her fitness to have his or her
19 registration restored, which may include sworn evidence
20 certifying to active practice in another jurisdiction
21 satisfactory to the Department and by paying the required
22 restoration fee.

23 (b) Any licensed certified public accountant who has
24 permitted his or her license to expire or who has had his or
25 her license on inactive status may have his or her license

1 restored by making application to the Department and filing
2 proof acceptable to the Department as defined by rule of his or
3 her fitness to have his or her license restored, including
4 sworn evidence certifying to active practice in another
5 jurisdiction satisfactory to the Department and by paying the
6 required restoration fee and by submitting proof of the
7 required continuing education.

8 (c) If the licensed certified public accountant or
9 registered certified public accountant has not maintained an
10 active practice in another jurisdiction satisfactory to the
11 Department, the Department shall determine, by an evaluation
12 program established by rule, fitness to resume active status
13 and may require the applicant to complete a period of
14 supervised experience.

15 (d) However, any licensed certified public accountant or
16 registered certified public accountant whose license or
17 registration expired while he was (1) in Federal Service on
18 active duty with the Armed Forces of the United States, or the
19 State Militia called into service or training, or (2) in
20 training or education under the supervision of the United
21 States preliminary to induction into the military service, may
22 have his license or registration renewed reinstated or restored
23 without paying any lapsed renewal and restoration fees if
24 within 2 years after honorable termination of such service,
25 training or education except under conditions other than
26 honorable, he furnished the Department with satisfactory

1 evidence to the effect that he has been so engaged and that his
2 service, training or education has been so terminated.

3 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

4 (225 ILCS 450/17.2) (from Ch. 111, par. 5518.2)

5 (Section scheduled to be repealed on January 1, 2014)

6 Sec. 17.2. Inactive status.

7 (a) Any licensed certified public accountant or Registered
8 Certified Public Accountant who notifies the Department in
9 writing on forms prescribed by the Department, may elect to
10 place his license or registration on an inactive status and
11 shall, subject to rules of the Department, be excused from
12 payment of renewal fees until he notifies the Department in
13 writing of his desire to resume active status.

14 (b) Any licensed certified public accountant requesting
15 restoration from inactive status shall be required to pay the
16 current renewal fee, shall be required to submit proof of the
17 required continuing education, and shall be required to comply
18 with any requirements established by rule ~~restore his license,~~
19 ~~as provided in this Act.~~

20 (c) Any Registered Certified Public Accountant requesting
21 restoration from inactive status shall be required to pay the
22 current renewal fee and shall be required to comply with any
23 requirements established by rule.

24 (d) Any licensed certified public accountant who is not a
25 registered certified public accountant and wishes to continue

1 using the CPA title and whose license is in an inactive status
2 shall not perform accountancy activities outlined in Section
3 8.05 of this Act and must place the word "inactive" adjacent to
4 the CPA title ~~not practice public accounting in this State of~~
5 ~~Illinois.~~ A CPA (inactive) is exempt from any continuing
6 professional education requirement. A CPA (inactive) may
7 perform governance functions on a non-profit volunteer board
8 using his or her accountancy skills and competencies if:

9 (1) he or she discloses to the non-profit volunteer
10 board and respective committees that he or she is a CPA
11 (inactive); and

12 (2) he or she is not serving as an audit committee
13 financial expert as defined in Section 407 of the federal
14 Sarbanes-Oxley Act of 2002.

15 (e) Any Registered Certified Public Accountant whose
16 registration is in an inactive status shall not in any manner
17 hold himself or herself out to the public as a CPA ~~C.P.A. or~~
18 ~~R.C.P.A.~~

19 ~~The Department may, in its discretion, license as a~~
20 ~~licensed certified public accountant, on payment of the~~
21 ~~required fee, an applicant who is a licensed certified public~~
22 ~~accountant licensed under the laws of another jurisdiction if~~
23 ~~the requirements for licensure of licensed certified public~~
24 ~~accountants in the jurisdiction in which the applicant was~~
25 ~~licensed were, at the date of his licensure, substantially~~
26 ~~equivalent to the requirements in force in this State on that~~

1 ~~date.~~

2 ~~Applicants have 3 years from the date of application to~~
3 ~~complete the application process. If the process has not been~~
4 ~~completed in 3 years, the application shall be denied, the fee~~
5 ~~forfeited and the applicant must reapply and meet the~~
6 ~~requirements in effect at the time of reapplication.~~

7 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

8 (225 ILCS 450/19) (from Ch. 111, par. 5520)

9 (Section scheduled to be repealed on January 1, 2014)

10 Sec. 19. Hearings.

11 (a) The Committee established under the provisions of
12 Section 2.05 shall, upon designation by the Secretary ~~Director~~,
13 hear charges which, if proved, would constitute grounds for
14 disciplinary action; shall hear applications for restoration
15 of a license and the issuance of a license or registration as a
16 licensed certified public accountant or registered certified
17 public accountant of any person, partnership, limited
18 liability company, or corporation whose license or
19 registration has been suspended or revoked; and shall report
20 its findings and recommendations in connection therewith to the
21 Secretary ~~Director~~, all as provided in Section 20.1 ~~20.01~~. The
22 Department shall also have power to promulgate and amend rules
23 of professional conduct that shall apply to persons registered
24 or licensed under this Act.

25 (b) In rendering an order, the Department shall take into

1 consideration the facts and circumstances involving the type of
2 acts or omissions in subsection (a), including, but not limited
3 to:

4 (1) the extent to which public confidence in the public
5 accounting profession was, might have been, or may be
6 injured;

7 (2) the degree of trust and dependence among the
8 involved parties;

9 (3) the character and degree of financial or economic
10 harm that did or might have resulted; and

11 (4) the intent or mental state of the person charged at
12 the time of the acts or omissions.

13 (c) The Department shall reissue the license or
14 registration upon a showing that the disciplined licensee or
15 registrant has complied with all of the terms and conditions
16 set forth in the final order.

17 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

18 (225 ILCS 450/20.01) (from Ch. 111, par. 5521.01)

19 (Section scheduled to be repealed on January 1, 2014)

20 Sec. 20.01. Grounds for discipline; license or
21 registration.

22 (a) The Department may refuse to issue or renew, or may
23 revoke, suspend, or reprimand any registration or registrant,
24 any license or licensee, place a licensee or registrant on
25 probation for a period of time subject to any conditions the

1 Department may specify including requiring the licensee or
2 registrant to attend continuing education courses or to work
3 under the supervision of another licensee or registrant, impose
4 a fine not to exceed \$10,000 ~~\$5,000~~ for each violation,
5 restrict the authorized scope of practice, or require a
6 licensee or registrant to undergo a peer review program, for
7 any one or more of the following:

8 (1) Violation of any provision of this Act or rule
9 adopted by the Department under this Act or violation of
10 professional standards.

11 (2) Dishonesty, fraud, or deceit in obtaining a license
12 or registration. Attempting to procure a license or
13 registration to practice under this Act by bribery or
14 fraudulent misrepresentations.

15 (3) Cancellation, revocation, suspension, or refusal
16 to renew a license or privileges under Section 5.2 for
17 disciplinary reasons in any other state for any cause.

18 ~~Having a license to practice public accounting or~~
19 ~~registration revoked, suspended, or otherwise acted~~
20 ~~against, including the denial of licensure or~~
21 ~~registration, by the licensing or registering authority of~~
22 ~~another state, territory, or country, including but not~~
23 ~~limited to the District of Columbia, or any United States~~
24 ~~territory. No disciplinary action shall be taken in~~
25 ~~Illinois if the action taken in another jurisdiction was~~
26 ~~based upon failure to meet the continuing professional~~

1 ~~education requirements of that jurisdiction and the~~
2 ~~applicable Illinois continuing professional education~~
3 ~~requirements are met.~~

4 (4) Failure, on the part of a licensee under Section 13
5 or registrant under Section 16, to maintain compliance with
6 the requirements for issuance or renewal of a license,
7 permit, or registration or to report changes to the
8 Department. ~~Being convicted or found guilty, regardless of~~
9 ~~adjudication, of a crime in any jurisdiction which directly~~
10 ~~relates to the practice of public accounting or the ability~~
11 ~~to practice public accounting or as a Registered Certified~~
12 ~~Public Accountant.~~

13 (5) Revocation or suspension of the right to practice
14 by or before any state or federal regulatory authority or
15 by the Public Company Accounting Oversight Board. ~~Making or~~
16 ~~filing a report or record which the registrant or licensee~~
17 ~~knows to be false, willfully failing to file a report or~~
18 ~~record required by state or federal law, willfully impeding~~
19 ~~or obstructing the filing, or inducing another person to~~
20 ~~impede or obstruct the filing. The reports or records shall~~
21 ~~include only those that are signed in the capacity of a~~
22 ~~licensed certified public accountant or a registered~~
23 ~~certified public accountant.~~

24 (6) Dishonesty, fraud, deceit, or gross negligence in
25 the performance of services as a licensee or registrant or
26 individual granted privileges under Section 5.2.

1 ~~Conviction in this or another State or the District of~~
2 ~~Columbia, or any United States Territory, of any crime that~~
3 ~~is punishable by one year or more in prison or conviction~~
4 ~~of a crime in a federal court that is punishable by one~~
5 ~~year or more in prison.~~

6 (7) Conviction of a felony, or any other crime an
7 element of which is dishonesty, fraud, or deceit, under the
8 laws of the United States, of this State, or of any other
9 state if the acts involved would have constituted a crime
10 under the laws of this State. ~~Proof that the licensee or~~
11 ~~registrant is guilty of fraud or deceit, or of gross~~
12 ~~negligence, incompetency, or misconduct, in the practice~~
13 ~~of public accounting.~~

14 (8) Performance of any fraudulent act while holding a
15 license or privilege issued under this Act or prior law.
16 ~~Violation of any rule adopted under this Act.~~

17 (9) Any conduct reflecting adversely upon the
18 licensee's fitness to perform services while a licensee or
19 individual granted privileges under Section 5.2.
20 ~~Practicing on a revoked, suspended, or inactive license or~~
21 ~~registration.~~

22 (10) Making any false or misleading statement or
23 verification in support of an application for a license
24 filed by another. ~~Suspension or revocation of the right to~~
25 ~~practice before any state or federal agency.~~

26 ~~(11) Conviction of any crime under the laws of the~~

1 ~~United States or any state or territory of the United~~
2 ~~States that is a felony or misdemeanor and has dishonesty~~
3 ~~as an essential element, or of any crime that is directly~~
4 ~~related to the practice of the profession.~~

5 ~~(12) Making any misrepresentation for the purpose of~~
6 ~~obtaining a license, or registration or material~~
7 ~~misstatement in furnishing information to the Department.~~

8 ~~(13) Aiding or assisting another person in violating~~
9 ~~any provision of this Act or rules promulgated hereunder.~~

10 ~~(14) Engaging in dishonorable, unethical, or~~
11 ~~unprofessional conduct of a character likely to deceive,~~
12 ~~defraud, or harm the public.~~

13 ~~(15) Habitual or excessive use or addiction to alcohol,~~
14 ~~narcotics, stimulants, or any other chemical agent or drug~~
15 ~~that results in the inability to practice with reasonable~~
16 ~~skill, judgment, or safety.~~

17 ~~(16) Directly or indirectly giving to or receiving from~~
18 ~~any person, firm, corporation, partnership, or association~~
19 ~~any fee, commission, rebate, or other form of compensation~~
20 ~~for any professional service not actually rendered.~~

21 ~~(17) Physical or mental disability, including~~
22 ~~deterioration through the aging process or loss of~~
23 ~~abilities and skills that results in the inability to~~
24 ~~practice the profession with reasonable judgment, skill or~~
25 ~~safety.~~

26 ~~(18) Solicitation of professional services by using~~

1 ~~false or misleading advertising.~~

2 (11) ~~(19)~~ Failure to file a return, or pay the tax,
3 penalty or interest shown in a filed return, or to pay any
4 final assessment of tax, penalty or interest, as required
5 by any tax Act administered by the Illinois Department of
6 Revenue or any successor agency or the Internal Revenue
7 Service or any successor agency.

8 ~~(20) Practicing or attempting to practice under a name~~
9 ~~other than the full name as shown on the license or~~
10 ~~registration or any other legally authorized name.~~

11 ~~(21) A finding by the Department that a licensee or~~
12 ~~registrant has not complied with a provision of any lawful~~
13 ~~order issued by the Department.~~

14 ~~(22) Making a false statement to the Department~~
15 ~~regarding compliance with continuing professional~~
16 ~~education or peer review requirements.~~

17 (12) ~~(23)~~ Failing to make a substantive response to a
18 request for information by the Department within 30 days of
19 the request.

20 (a-5) The Department shall deny any application for a
21 license, registration, or renewal, without hearing, to any
22 person who has defaulted on an educational loan guaranteed by
23 the Illinois Student Assistance Commission; however, the
24 Department may issue a license, registration, or renewal if the
25 person in default has established a satisfactory repayment
26 record as determined by the Illinois Student Assistance

1 Commission.

2 (b) (Blank).

3 (c) The determination by a court that a licensee or
4 registrant is subject to involuntary admission or judicial
5 admission as provided in the Mental Health and Developmental
6 Disabilities Code shall result in the automatic suspension of
7 his or her license or registration. The licensee, registrant,
8 or their agent shall be responsible for notifying the
9 Department of the determination by the court that the licensee
10 or registrant is subject to involuntary admission or judicial
11 admission as provided in the Mental Health and Developmental
12 Disabilities Code. The licensee or registrant shall also notify
13 the Department upon discharge so that a determination may be
14 made under item (9) of subsection (a) whether the licensee or
15 registrant may resume practice. In rendering an order, the
16 Department shall take into consideration the facts and
17 circumstances involving the type of acts or omissions in
18 subsection (a) including, but not limited to:

19 ~~(1) the extent to which public confidence in the public~~
20 ~~accounting profession was, might have been, or may be~~
21 ~~injured;~~

22 ~~(2) the degree of trust and dependence among the~~
23 ~~involved parties;~~

24 ~~(3) the character and degree of financial or economic~~
25 ~~harm which did or might have resulted; and~~

26 ~~(4) the intent or mental state of the person charged at~~

1 ~~the time of the acts or omissions.~~

2 (d) (Blank). ~~The Department shall reissue the license or~~
3 ~~registration upon a showing that the disciplined licensee or~~
4 ~~registrant has complied with all of the terms and conditions~~
5 ~~set forth in the final order.~~

6 (e) (Blank). ~~The Department shall deny any application for~~
7 ~~a license, registration, or renewal, without hearing, to any~~
8 ~~person who has defaulted on an educational loan guaranteed by~~
9 ~~the Illinois Student Assistance Commission; however, the~~
10 ~~Department may issue a license, registration, or renewal if the~~
11 ~~person in default has established a satisfactory repayment~~
12 ~~record as determined by the Illinois Student Assistance~~
13 ~~Commission.~~

14 (f) (Blank). ~~The determination by a court that a licensee~~
15 ~~or registrant is subject to involuntary admission or judicial~~
16 ~~admission as provided in the Mental Health and Developmental~~
17 ~~Disabilities Code will result in the automatic suspension of~~
18 ~~his or her license or registration. The licensee or registrant~~
19 ~~shall be responsible for notifying the Department of the~~
20 ~~determination by the court that the licensee or registrant is~~
21 ~~subject to involuntary admission or judicial admission as~~
22 ~~provided in the Mental Health and Developmental Disabilities~~
23 ~~Code. The licensee or registrant shall also notify the~~
24 ~~Department upon discharge so that a determination may be made~~
25 ~~under item (17) of subsection (a) whether the licensee or~~
26 ~~registrant may resume practice.~~

1 (Source: P.A. 93-629, eff. 12-23-03; 93-683, eff. 7-2-04;
2 94-779, eff. 5-19-06.)

3 (225 ILCS 450/20.1) (from Ch. 111, par. 5522)

4 (Section scheduled to be repealed on January 1, 2014)

5 Sec. 20.1. Investigations; notice; hearing. The Department
6 may, upon its own motion, and shall, upon the verified
7 complaint in writing of any person setting forth facts which,
8 if proved, would constitute grounds for disciplinary action as
9 set forth in Section 20.01, investigate the actions of any
10 person or entity. The Department may refer complaints and
11 investigations to a disciplinary body of the accounting
12 profession for technical assistance. The results of an
13 investigation and recommendations of the disciplinary body may
14 be considered by the Department, but shall not be considered
15 determinative and the Department shall not in any way be
16 obligated to take any action or be bound by the results of the
17 accounting profession's disciplinary proceedings. The
18 Department, before taking disciplinary action, shall afford
19 the concerned party or parties an opportunity to request a
20 hearing and if so requested shall set a time and place for a
21 hearing of the complaint. With respect to determinations by a
22 Peer Review Administrator duly appointed by the Department
23 under subsection (f) of Section 16 of this Act that a licensee
24 has failed to satisfactorily complete a peer review as required
25 under subsection (e) of Section 16, the Department may consider

1 the Peer Review Administrator's findings of fact as prima facie
2 evidence, and upon request by a licensee for a hearing the
3 Department shall review the record presented and hear arguments
4 by the licensee or the licensee's counsel but need not conduct
5 a trial or hearing de novo or accept additional evidence. The
6 Department shall notify the applicant or the licensed or
7 registered person or entity of any charges made and the date
8 and place of the hearing of those charges by mailing notice
9 thereof to that person or entity by registered or certified
10 mail to the place last specified by the accused person or
11 entity in the last notification to the Department, at least 30
12 days prior to the date set for the hearing or by serving a
13 written notice by delivery of the notice to the accused person
14 or entity at least 15 days prior to the date set for the
15 hearing, and shall direct the applicant or licensee or
16 registrant to file a written answer to the Department under
17 oath within 20 days after the service of the notice and inform
18 the applicant or licensee or registrant that failure to file an
19 answer will result in default being taken against the applicant
20 or licensee or registrant and that the license or registration
21 may be suspended, revoked, placed on probationary status, or
22 other disciplinary action may be taken, including limiting the
23 scope, nature or extent of practice, as the Secretary ~~Director~~
24 may deem proper. In case the person fails to file an answer
25 after receiving notice, his or her license or registration may,
26 in the discretion of the Department, be suspended, revoked, or

1 placed on probationary status, or the Department may take
2 whatever disciplinary action deemed proper, including limiting
3 the scope, nature, or extent of the person's practice or the
4 imposition of a fine, without a hearing, if the act or acts
5 charged constitute sufficient grounds for such action under
6 this Act. The Department shall afford the accused person or
7 entity an opportunity to be heard in person or by counsel at
8 the hearing. At the conclusion of the hearing the Committee
9 shall present to the Secretary ~~Director~~ a written report
10 setting forth its finding of facts, conclusions of law, and
11 recommendations. The report shall contain a finding whether or
12 not the accused person violated this Act or failed to comply
13 with the conditions required in this Act. If the Secretary
14 ~~Director~~ disagrees in any regard with the report, he or she may
15 issue an order in contravention of the report. The Secretary
16 ~~Director~~ shall provide a written explanation to the Committee
17 of any such deviations and shall specify with particularity the
18 reasons for the deviations.

19 The finding is not admissible in evidence against the
20 person in a criminal prosecution brought for the violation of
21 this Act, but the hearing and findings are not a bar to a
22 criminal prosecution brought for the violation of this Act.

23 (Source: P.A. 93-683, eff. 7-2-04; 94-779, eff. 5-19-06.)

24 (225 ILCS 450/20.2) (from Ch. 111, par. 5523)

25 (Section scheduled to be repealed on January 1, 2014)

1 Sec. 20.2. Subpoenas; depositions; oaths. The Department
2 has the power to subpoena documents, books, records, or other
3 materials and to bring before it any person to take testimony,
4 either orally or by deposition, or take written
5 interrogatories, or any combination thereof, with the same fees
6 and mileage in the same manner as is prescribed in civil cases
7 in the courts of this State.

8 The Secretary or the designated hearing officer has the
9 power to administer oaths to witnesses at any hearing that the
10 Department is authorized to conduct and any other oaths
11 authorized in any Act administered by the Department.

12 ~~The Department may subpoena and bring before it at any hearing~~
13 ~~any person in this State and take testimony either orally or by~~
14 ~~deposition, or both, with the same fees and mileage and in the~~
15 ~~same manner as prescribed by law in judicial proceedings in~~
16 ~~civil cases in circuit courts of this State.~~

17 ~~The Director, any member of the Committee designated by the~~
18 ~~Director, or any hearing officer appointed may administer oaths~~
19 ~~to witnesses at any hearing which the Department is authorized~~
20 ~~by law to conduct or any other oaths required or authorized in~~
21 ~~any Act administered by the Department.~~

22 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

23 (225 ILCS 450/20.4) (from Ch. 111, par. 5525)

24 (Section scheduled to be repealed on January 1, 2014)

25 Sec. 20.4. The Department, at its expense, shall provide a

1 stenographer to take down the testimony and preserve a record
2 of all proceedings at disciplinary hearings. ~~A The Department~~
3 ~~shall furnish a~~ transcript of that record may be made available
4 to any person interested in that hearing upon payment of the
5 fee required by Section 2105-115 of the Department of
6 Professional Regulation Law ~~of the reasonable cost established~~
7 ~~by the Department.~~

8 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

9 (225 ILCS 450/20.5) (from Ch. 111, par. 5526)

10 (Section scheduled to be repealed on January 1, 2014)

11 Sec. 20.5. Rehearing. In any disciplinary proceeding, a
12 copy of the Committee's report shall be served upon the
13 respondent by the Department, either personally or as provided
14 in this Act for the service of the notice of hearing. Within 20
15 days after such service, the respondent may present to the
16 Department a motion in writing for a rehearing, which motion
17 shall specify the particular grounds therefor. If no motion for
18 rehearing is filed, then upon the expiration of the time
19 specified for filing such a motion, or if a motion or rehearing
20 is denied, then upon such denial the Secretary ~~Director~~ may
21 enter an order in accordance with recommendations of the
22 Committee except as provided in Section 20.6. If the respondent
23 shall order from the reporting service, and pay for a
24 transcript of the record within the time for filing a motion
25 for rehearing, the 20 day period within which such a motion may

1 be filed shall commence upon the delivery of the transcript to
2 the respondent.

3 Whenever the Secretary ~~Director~~ is satisfied that
4 substantial justice has not been done in the disciplinary
5 proceeding, the Secretary ~~Director~~ may order a rehearing by the
6 Committee or designated hearing officer. The Secretary
7 ~~Director~~ shall provide a written explanation to the Committee
8 of any deviation from the recommendations of the Committee and
9 shall specify with particularity the reasons for the deviation.

10 Upon the suspension or revocation of a registration or
11 license of a registrant or licensee, the registrant or licensee
12 shall be required to surrender to the Department the
13 registration or license issued by the Department, and upon
14 failure or refusal so to do, the Department may seize it.

15 The Department may exchange information relating to
16 proceedings resulting in disciplinary action against licensees
17 or registrants with the regulatory bodies of other states, or
18 with other public authorities or private organizations or with
19 federal authorities having regulatory interest in such matter.

20 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

21 (225 ILCS 450/20.6) (from Ch. 111, par. 5526.6)

22 (Section scheduled to be repealed on January 1, 2014)

23 Sec. 20.6. Notwithstanding the provisions of Section 20.2
24 of this Act, the Secretary ~~Director~~ shall have the authority to
25 appoint any attorney duly licensed to practice law in the State

1 of Illinois to serve as the hearing officer in any disciplinary
2 action. The Secretary ~~Director~~ shall notify the Committee of
3 such appointment.

4 The hearing officer shall have full authority to conduct
5 the hearing. The hearing officer shall report his findings of
6 fact, conclusions of law and recommendations to the Committee
7 and the Secretary ~~Director~~. The Committee shall have 60 days
8 after receiving the report to review the report of the hearing
9 officer and present its findings of fact, conclusions of law,
10 and recommendations to the Secretary ~~Director~~. If the Committee
11 fails to present its report within the 60-day period, the
12 Secretary ~~Director~~ shall issue an order based on the report of
13 the hearing officer. If the Secretary ~~Director~~ disagrees in any
14 regard with the report of the Committee or hearing officer, he
15 or she may issue an order in contravention thereof. The
16 Secretary ~~Director~~ shall provide a written explanation to the
17 Committee of any such deviations and shall specify with
18 particularity the reasons for said action in the final order.

19 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

20 (225 ILCS 450/21) (from Ch. 111, par. 5527)

21 (Section scheduled to be repealed on January 1, 2014)

22 Sec. 21. Judicial review; cost of record; order as prima
23 facie proof.

24 (a) All final administrative decisions of the Department
25 hereunder shall be subject to judicial review pursuant to the

1 provisions of the Administrative Review Law, and all amendments
2 and modifications thereof, and the rules adopted pursuant
3 thereto. The term "administrative decision" is defined as in
4 Section 3-101 of the Code of Civil Procedure.

5 Proceedings for judicial review shall be commenced in the
6 Circuit Court of the county in which the party applying for
7 review resides; provided, that if such party is not a resident
8 of this State, the venue shall be in Sangamon, Champaign, or
9 Cook County.

10 (b) The Department shall not be required to certify any
11 record to the court or file any answer in court or otherwise
12 appear in any court in a judicial review proceeding, unless
13 there is filed in the court with the complaint a receipt from
14 the Department acknowledging payment of the costs of furnishing
15 and certifying the record, which costs shall be established by
16 the Department. Exhibits shall be certified without cost.
17 Failure on the part of the plaintiff to file such receipt in
18 court shall be grounds for dismissal of the action.

19 (c) An order of disciplinary action or a certified copy
20 thereof, over the seal of the Department and purporting to be
21 signed by the Secretary ~~Director~~ or authorized agent of the
22 Secretary ~~Director~~, shall be prima facie proof, subject to
23 being rebutted, that:

24 (1) the signature is the genuine signature of the
25 Secretary ~~Director~~ or authorized agent of the Secretary
26 Director;

1 (2) the Secretary ~~Director~~ or authorized agent of the
2 Secretary ~~Director~~ is duly appointed and qualified; and

3 (3) the Committee and the members thereof are qualified
4 to act.

5 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

6 (225 ILCS 450/28) (from Ch. 111, par. 5534)

7 (Section scheduled to be repealed on January 1, 2014)

8 Sec. 28. Criminal penalties ~~Penalties~~. Each of the
9 following acts perpetrated in the State of Illinois is a Class
10 B misdemeanor.

11 (a) The practice of accountancy activities as defined
12 in paragraph (1) of subsection (a) of Section 8.05 without
13 an active license ~~public accounting insofar as it consists~~
14 ~~in rendering service as described in Section 8, without~~
15 ~~licensure,~~ in violation of the provisions of this Act;

16 (b) The obtaining or attempting to obtain licensure as
17 a licensed certified public accountant or registration as a
18 registered certified public accountant by fraud;

19 (c) The use of the title "Certified Public Accountant"
20 or the abbreviation "C.P.A." or use of any similar words or
21 letters indicating the user is a certified public
22 accountant, ~~the title "Registered Certified Public~~
23 ~~Accountant", the abbreviation "R.C.P.A.", any similar~~
24 ~~words or letters indicating the user is a certified public~~
25 ~~accountant or a registered certified public accountant by~~

1 any person in contravention of this Act;

2 (c-5) (Blank) ~~The use of the title "Certified Public~~
3 ~~Accountant" or "Licensed Certified Public Accountant" or~~
4 ~~the abbreviation "C.P.A." or "L.C.P.A." or any similar~~
5 ~~words or letters indicating the user is a certified public~~
6 ~~accountant by any person in contravention with this Act;~~

7 (d) The use of the title "Certified Public Accountant"
8 or the abbreviation "C.P.A." or any similar words or
9 letters indicating that the members are certified public
10 accountants, by any partnership, limited liability
11 company, corporation, or other entity in contravention of
12 this Act ~~unless all members thereof personally engaged in~~
13 ~~the practice of public accounting in this State are~~
14 ~~licensed as licensed certified public accountants by the~~
15 ~~Department, and are holders of an effective unrevoked~~
16 ~~license, and the partnership, limited liability company,~~
17 ~~corporation, or other entity is licensed as licensed~~
18 ~~certified public accountants by the Board with an effective~~
19 ~~unrevoked license;~~

20 (e) The unauthorized practice in the performance of
21 accountancy activities as defined in Section 8.05 and in
22 contravention of this Act ~~The use of the title "Licensed~~
23 ~~Certified Public Accountant", or the abbreviation~~
24 ~~"L.C.P.A." or any similar words or letters indicating such~~
25 ~~person is a licensed certified public accountant, by any~~
26 ~~person not licensed as a licensed certified public~~

1 ~~accountant by the Department, and holding an effective~~
2 ~~unrevoked license; provided nothing in this Act shall~~
3 ~~prohibit the use of the title "Accountant" or "Bookkeeper"~~
4 ~~by any person;~~

5 (f) (Blank); ~~The use of the title "Licensed Certified~~
6 ~~Public Accountants", "Public Accountants" or the~~
7 ~~abbreviation "P.A.'s" or any similar words or letters~~
8 ~~indicating that the members are public accountants by any~~
9 ~~partnership, limited liability company, corporation, or~~
10 ~~other entity unless all members thereof personally engaged~~
11 ~~in the practice of public accounting in this State are~~
12 ~~licensed as licensed certified public accountants by the~~
13 ~~Department and are holders of effective unrevoked~~
14 ~~licenses, and the partnership is licensed as a public~~
15 ~~accounting firm by the Department with an effective~~
16 ~~unrevoked license;~~

17 (g) Making false statements to the Department
18 regarding compliance with continuing professional
19 education or peer review requirements;

20 (h) (Blank). ~~The use of the title "Certified Public~~
21 ~~Accountant" or the abbreviation "C.P.A." or any similar~~
22 ~~words or letters indicating that the members are certified~~
23 ~~public accountants, by any partnership unless all members~~
24 ~~thereof personally engaged in the practice of public~~
25 ~~accounting in this State have received certificates as~~
26 ~~certified public accountants from the Board, are licensed~~

1 ~~as public accountants by the Department, and are holders of~~
2 ~~an effective unrevoked license, and the partnership is~~
3 ~~licensed as public accountants by the Department with an~~
4 ~~effective unrevoked license.~~

5 ~~This Section does not prohibit a firm partnership, limited~~
6 ~~liability company, corporation, or other entity who does not~~
7 ~~practice public accounting as set forth in Section 8 of this~~
8 ~~Act and whose members residing in Illinois are registered with~~
9 ~~the Department from using the title "Certified Public~~
10 ~~Accountant" or the abbreviation "C.P.A." or "CPA" or similar~~
11 ~~words or letters indicating that the members are certified~~
12 ~~public accountants.~~

13 (Source: P.A. 95-331, eff. 8-21-07.)

14 (225 ILCS 450/30) (from Ch. 111, par. 5535)

15 (Section scheduled to be repealed on January 1, 2014)

16 Sec. 30. A violation of Sections 8.05 and 9.02 of this Act
17 by any person ~~The practice of public accounting, as described~~
18 ~~in Section 8 of this Act, by any person in violation of this~~
19 ~~Act~~ is hereby declared to be inimical to the public welfare and
20 to be a public nuisance. An action to perpetually enjoin from
21 such unlawful practice any person who has been or is engaged
22 therein may be maintained in the name of the people of the
23 State of Illinois by the Attorney General of the State of
24 Illinois, by the State's Attorney of any county in which the
25 action is brought, by the Department or by any resident

1 citizen. The injunction proceeding shall be in addition to and
2 not in lieu of any penalties or other remedies provided by this
3 Act. No injunction shall issue under this section against any
4 person for any act exempted under Section 11 of this Act.

5 If any person shall practice as a licensed certified public
6 accountant or a registered certified public accountant or hold
7 himself or herself out as a licensed certified public
8 accountant or registered certified public accountant without
9 being licensed or registered under the provision of this Act
10 then any licensed certified public accountant or registered
11 certified public accountant, any interested party or any person
12 injured thereby may, in addition to the Department, petition
13 for relief as provided in subsection (a) of this Section.

14 Whenever in the opinion of the Department any person
15 violates any provision of this Act, the Department may issue a
16 rule to show cause why an order to cease and desist should not
17 be entered against him. The rule shall clearly set forth the
18 grounds relied upon by the Department and shall provide a
19 period of 7 days from the date of the rule to file an answer to
20 the satisfaction of the Department. Failure to answer to the
21 satisfaction of the Department shall cause an order to cease
22 and desist to be issued forthwith.

23 (Source: P.A. 92-457, eff. 7-1-04; 93-683, eff. 7-2-04.)

24 (225 ILCS 450/30.5)

25 (Section scheduled to be repealed on January 1, 2014)

1 Sec. 30.5. Improper influence on the conduct of audits.

2 (a) It shall be unlawful for any officer or director of a
3 company that is not required to file periodic information,
4 documents, and reports pursuant to the federal Securities
5 Exchange Act of 1934, or any other person acting under the
6 direction thereof, to take any action to fraudulently
7 influence, coerce, manipulate, or mislead any licensed public
8 accountant or licensed certified public accountant engaged in
9 the performance of an audit of the financial statements of that
10 company for the purpose of rendering the financial statements
11 being audited materially misleading.

12 (b) A person who, ~~with the intent to deceive,~~ violates this
13 Section is guilty of a Class 4 felony.

14 (Source: P.A. 93-683, eff. 7-2-04.)

15 (225 ILCS 450/30.6)

16 (Section scheduled to be repealed on January 1, 2014)

17 Sec. 30.6. Misleading behavior by licensees ~~certified~~
18 ~~public accountants~~.

19 (a) It shall be unlawful for any licensee ~~licensed public~~
20 ~~accountant or licensed certified public accountant~~ to
21 intentionally mislead a company that is not required to file
22 periodic information, documents, and reports pursuant to the
23 federal Securities Exchange Act of 1934 by falsifying records
24 it creates as part of an audit of the company.

25 (b) A person who ~~knowingly~~ violates this Section is guilty

1 of a Class 4 felony.

2 (Source: P.A. 93-683, eff. 7-2-04.)

3 (225 ILCS 450/7 rep.)

4 (225 ILCS 450/8 rep.)

5 (225 ILCS 450/9 rep.)

6 (225 ILCS 450/9.01 rep.)

7 Section 10. The Illinois Public Accounting Act is amended
8 by repealing Sections 7, 8, 9, and 9.01.

9 Section 99. Effective date. This Act takes effect July 1,
10 2012.

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9	225 ILCS 450/2.1	from Ch. 111, par. 5503
10	225 ILCS 450/4	from Ch. 111, par. 5505
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15	225 ILCS 450/9.2	from Ch. 111, par. 5510.2
16	225 ILCS 450/9.3	
17	225 ILCS 450/13	from Ch. 111, par. 5514
18	225 ILCS 450/14	from Ch. 111, par. 5515
19	225 ILCS 450/14.1	
20	225 ILCS 450/14.2	
21	225 ILCS 450/14.3	
22	225 ILCS 450/16	from Ch. 111, par. 5517
23	225 ILCS 450/17.1	from Ch. 111, par. 5518.1
24	225 ILCS 450/17.2	from Ch. 111, par. 5518.2
25	225 ILCS 450/19	from Ch. 111, par. 5520

- 1 225 ILCS 450/20.01 from Ch. 111, par. 5521.01
- 2 225 ILCS 450/20.1 from Ch. 111, par. 5522
- 3 225 ILCS 450/20.2 from Ch. 111, par. 5523
- 4 225 ILCS 450/20.4 from Ch. 111, par. 5525
- 5 225 ILCS 450/20.5 from Ch. 111, par. 5526
- 6 225 ILCS 450/20.6 from Ch. 111, par. 5526.6
- 7 225 ILCS 450/21 from Ch. 111, par. 5527
- 8 225 ILCS 450/28 from Ch. 111, par. 5534
- 9 225 ILCS 450/30 from Ch. 111, par. 5535
- 10 225 ILCS 450/30.5
- 11 225 ILCS 450/30.6
- 12 225 ILCS 450/7 rep.
- 13 225 ILCS 450/8 rep.
- 14 225 ILCS 450/9 rep.
- 15 225 ILCS 450/9.01 rep.