

1.1 **Board of Accountancy**

1.2 **Proposed Permanent Rules Governing Examination Credit Requirements and**
1.3 **Continuing Professional Education Late Processing Fees**

1.4 **1105.2000 RETAKE AND GRANTING OF CREDIT REQUIREMENTS.**

1.5 Subpart 1. [Repealed, 28 SR 1636]

1.6 Subp. 2. **Examination requirements.**

1.7 A. An applicant may take the required examination sections individually and in
1.8 any order. Credit for any section passed shall be valid for ~~18~~ 36 months from the actual date
1.9 the applicant took that section, without having to attain a minimum score on any failed
1.10 section and without regard to whether the applicant has taken other sections, regardless of
1.11 the date that the applicant actually receives notice of the passing grade. In addition:

1.12 (1) an applicant must pass all four sections of the Uniform Certified Public
1.13 Accountant Examination within a rolling ~~18-month~~ 36-month period, that begins on the
1.14 date that the first section or sections passed are taken; and

1.15 (2) the frequency with which an applicant may retake a failed examination
1.16 section is determined by NASBA.

1.17 B. In the event that the applicant does not pass all four sections of the Uniform
1.18 Certified Public Accountant Examination ~~are not passed~~ within the rolling ~~18-month~~
1.19 36-month period, credit for any section passed outside the ~~18-month~~ 36-month period expires
1.20 and the applicant must retake that section ~~must be retaken~~.

1.21 Subp. 3. [Repealed, 33 SR 476]

1.22 Subp. 4. **Other states.** An applicant shall retain credit, if approved by the board
1.23 according to part 1105.1900, for sections of an examination passed in another state if the
1.24 credit would have been given, under then applicable requirements, if the applicant had taken
1.25 the examination in this state.

2.1 Subp. 5. **Waiver.** The board may, in particular cases, waive or defer any of the
2.2 requirements of subparts 1 to 4 regarding the circumstances in which the various sections
2.3 of the examination must be passed upon a showing that, by reason of circumstances beyond
2.4 the applicant's control, the applicant was unable to meet the requirement.

2.5 **1105.2560 RENEWAL OF CERTIFICATES.**

2.6 A. The board must renew each certificate for a one-year period.

2.7 B. Initial issuances of certificates must expire on the December 31 following
2.8 issuance and must thereafter be renewed annually before December 31 on a form provided
2.9 by the board for that purpose.

2.10 C. Notwithstanding the renewal period established by this part and except as
2.11 provided for in part 1105.3000, item ~~J~~ K, on each June 30, licensees holding a certificate
2.12 with an "active" status must comply with the one- and three-year continuing professional
2.13 education requirements in part 1105.3000.

2.14 **1105.3000 CONTINUING PROFESSIONAL EDUCATION REQUIREMENTS.**

2.15 The requirements of continuing professional education in items A to J apply pursuant
2.16 to Minnesota Statutes, section 326A.04, subdivision 4.

2.17 A. A licensee holding a certificate with an active status shall:

2.18 (1) complete a minimum of 20 hours of continuing professional education
2.19 (CPE) complying with this chapter each year;

2.20 (2) in a rolling three-year period, complete a minimum of 120 hours of CPE
2.21 complying with this chapter;

2.22 (3) complete the required CPE by June 30 each year; and

2.23 (4) report the required CPE to the board on a form provided by the board by
2.24 December 31 each year.

3.1 B. A continuing professional education period is one year, from July 1 to June
3.2 30. No carryforward of CPE from one period to the next is allowed. A licensee may carryback
3.3 CPE hours earned after June 30 to satisfy the requirements of a prior CPE period provided
3.4 that the late processing fees specified in item E are paid. Carryback hours used to satisfy
3.5 the requirements of a prior CPE period must not also be used to satisfy the requirements of
3.6 the period in which they were completed.

3.7 C. Certificates must not be renewed, and status change requests must not be
3.8 processed, until CPE requirements of this part are met or an exception is granted.

3.9 D. A licensee holding a certificate with an inactive status who elects or is required
3.10 to have an active certificate shall complete at least 120 hours of CPE complying with this
3.11 chapter during the three-year period preceding application for an active certificate.

3.12 E. Failure to report CPE, failure to obtain CPE required by this part, reporting of
3.13 an amount less than that required, or fraudulently reporting CPE is a basis for disciplinary
3.14 action under Minnesota Statutes, section 326A.08. A licensee not in compliance with this
3.15 part shall be assessed a late processing fee of \$50 for the first month, or partial month, of
3.16 noncompliance and \$25 per month, or partial month, of noncompliance thereafter until the
3.17 date the licensee is in compliance with this part and provides:

3.18 (1) documentation of compliance in writing; and

3.19 (2) payment of the required late processing fee to the board.

3.20 F. Notwithstanding item E, the maximum late processing fee must be no more
3.21 than the accrued fee for the three-year CPE reporting cycle associated with the renewal that
3.22 will reestablish the license as valid, as defined in part 1105.6550, item A.

3.23 F. G. A licensee electing to change the status of the licensee's certificate from a
3.24 status of "active" to a status of "inactive" or "exempt," or requesting to change the licensee's
3.25 status from "active" to "retired" must:

4.1 (1) notify the board of the request in writing on a form provided by the board;

4.2 and

4.3 (2) provide the board with documentation showing completion of a minimum
4.4 of 120 hours of CPE required under this chapter during the three-year period ended June
4.5 30 preceding the effective date of the status change, with a minimum of 20 hours each year.

4.6 The change in status from "active" to "inactive" is effective on January 1 following
4.7 completion of subitems (1) and (2).

4.8 G H. Notwithstanding item F G, a licensee requesting "exempt" or "retired" status
4.9 who is in compliance with CPE and renewal requirements as of the prior renewal period
4.10 has no CPE requirement under this chapter if the licensee submits a request for status change
4.11 on or before June 30.

4.12 H I. A change in status after completing the requirements in item F G, subitems
4.13 (1) and (2), is effective as follows:

4.14 (1) for "inactive" status, January 1; and

4.15 (2) for "exempt" and "retired" status, the date that the properly submitted and
4.16 eligible status change request is processed by the board, which must be no more than ten
4.17 business days after the receipt of the change request.

4.18 I J. An individual who was previously granted "retired" status under Minnesota
4.19 Statutes, section 326A.045, who elects to change to an "inactive" status must notify the
4.20 board of the request in writing on a form provided by the board. The change in status is
4.21 effective January 1.

4.22 J K. The following requirements apply to licensees granted an initial certificate
4.23 with an active status.

5.1 (1) Licensees receiving their initial certificate between January 1 and June

5.2 30:

5.3 (a) are exempt from the CPE requirement for the CPE period ended June
5.4 30 in the same year as the date the initial certificate was granted;

5.5 (b) must complete the 20-hour requirement in item A by June 30 of the
5.6 year following the date the initial certificate was granted; and

5.7 (c) must complete the 120-hour requirement in item A by the June 30
5.8 three years after the date in which the initial certificate was granted.

5.9 (2) Licensees receiving their initial certificate between July 1 and December

5.10 31:

5.11 (a) are exempt from the CPE requirement for the CPE period ended June
5.12 30 in the year following the date the initial certificate was granted;

5.13 (b) must complete the 20-hour requirement in item A by June 30 two
5.14 years after the date in which the initial certificate was granted; and

5.15 (c) must complete the 120-hour requirement in item A by June 30 four
5.16 years after the date in which the initial certificate was granted.