

2018

Board of Public Accountancy
1000 Washington Street, Suite 710
Boston, Massachusetts 02118-6100
617-727-1806
www.mass.gov/dpl/boards/pa

DUE BY
AUGUST 1, 2018

Business Corporations, LLCs, LLPs, Partnerships & Professional Corporations License Renewal Instructions-NOW AVILABLE ONLINE! Please visit DPL's [E-Place Portal](#).

PART ONE: ONLINE RENEWAL APPLICATION and PAYMENT - DUE BY JUNE 30, 2018
ONLINE INSTRUCTIONS:

- Create E-Place account by visiting [E-Place Instructions](#) to link your license number to your online account.
- Application completed by a Massachusetts CPA partner, shareholder or member (in an ownership position) that has been designated by the firm as its managing partner, who shall be responsible for the proper registration of the firm.
- **If the firm has a name change, such change cannot be made on the online Renewal Application. Please contact the board at DPL-CPAFirms@state.ma.us and include the [Firm Change Request Form](#) and include verification that the name has been amended at the Mass. Secretary of State, Corporation Division. The board will make the updates and provide further instructions.**
- Electronic Payment submission via credit or debit card of \$324.00 is now available! Payment due by **June 30, 2018**.
- An updated license is mailed out within 3 to 4 weeks from the date the renewal and payment are received at the processing center.

PART TWO: CPA FIRM RENEWAL AFFIDAVIT FORM - DUE BY AUGUST 1, 2018

Please note, you are able to complete the renewal by June 30th, 2018 to avoid any late fees however, the system will allow you to go back and attach the required Firm Affidavit Form by the **August 1** due date.

If you do not include the required Firm Affidavit form during the online renewal application, you will need to log back into your e-Place Portal account and attach the 2018 Firm Affidavit before **August 1, 2018** by clicking "**manage my license, permits...**" tab and click on the renewal record ID (or) email signed and completed form DPL-CPAFirms@state.ma.us re: **2018 Firm Affidavit**. Be sure to include the renewal record ID provided by e-Place.

- List firm license number, name, address, telephone number and Federal I.D. number. If the firm has a name change, such change cannot be made on the CPA Firm Renewal Affidavit (Firm Affidavit) without attaching verification that the name has been amended at the Massachusetts Secretary of State, Corporation Division.
- List the names of all Massachusetts CPA partners, shareholders or members (in an ownership position) that are licensed in Massachusetts, license number and license expiration date. Firms with one owner that have multi names and/or use "& Co. or & Assoc." in the firm name, please complete reverse side of the Affidavit and include a copy of at least one full-time CPA employee's license. If you have non-CPA(s) in an ownership position, please complete reverse side of the Affidavit Form. (Non-CPA owners are not allowed in Professional Corporations).
- Answer all questions pertaining to Quality Review.
- All CPA firms (BC, PC, LLC & LLP) must submit a copy of the most recent Annual Report as filed with the Massachusetts Secretary of State, Corporation Division. If you need assistance with the annual report, contact the Massachusetts Corporation Division at 617-727-2850 or visit their web site at www.mass.gov/sec.
- Submit a copy of the current Massachusetts CPA license of all partners, shareholders or members in an ownership position. License must reflect an expiration date of June 30, 2019 or 2020.
Do not submit the Firm Affidavit until all of the CPA's individual licenses are current and reflect an expiration date of June 30, 2019 or 2020. You have until August 1, 2018 to submit a complete Firm Affidavit.
- **Firm Affidavit must be signed by the Massachusetts CPA managing partner, shareholder or member of the firm.**

Quality Review Requirement (QR): Per 252 CMR 2.15. All partnerships, corporations, LLPs and LLCs that have issued reports on financial statements of any kind must undergo a Quality Review (QR) within three years prior to its June 30, 2017 renewal. For entities, which became licensed since July 1, 2013, the QR requirement must be adhered to by enrolling in a QR program with a Review Acceptance Body (RAB) prior to the issuance of their first report. The RAB will then schedule the QR in accordance with these regulations. **If a partnership, corporation, LLP or LLC issues no audit, review or compilation reports on financial statements (or any other report on financial statements), then the firm is exempt from quality review.**

The QR requirement must be adhered to even if there is only one report issued in any renewal cycle. If a licensed entity has not issued reports in the previous renewal cycle, their report practice of public accountancy can be reinstated by written notification to the Board prior to the issuance of the first report and registration with a RAB as listed above. For firms that have merged from two licensed entities to one licensed entity, inquiries regarding the QR requirement should be made in writing to the Board.

The Board's Review Oversight Board (ROB) has currently approved the Review Acceptance Bodies listed below:

Mass. Society of Certified Public Accountants

105 Chauncy Street, Boston, MA 02111
Telephone #617-556-4000

American Institute of Certified Public Accountants (AICPA)

220 Leigh Farm Road
Durham, NC 27707
Telephone #1-888-777-7077

Mass. Association of Accountants

607 North Avenue, Door 16, Wakefield, MA 01880
Telephone # 781-246-7788

National Conference of CPA Practitioners

22 Jericho Turnpike, Suite 110
Mineola, NY 11501
Telephone #516-333-8282

New England Peer Review, Inc.

1750 Elm Street, Suite 403A
Manchester, NH 03104
Telephone #603-623-3513

If your firm practices and issues reports in more than one state, the Board will generally recognize adherence to our rule by completing a QR under another state's jurisdiction.

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NON-CPA OWNERSHIP OF LICENSED CPA FIRMS

Per recent amendments to M.G.L. c. 112, § 87B½, CPA firms (business corporations (BC), partnerships, LLPs and LLCs) will be allowed to become licensed and admit non-CPAs as shareholders (and officers and directors), partners or members (managers) provided that the following conditions exist:

1. That a simple majority of the ownership of the firm in terms of financial interests and voting rights (control) of the firm belong to holders of a CPA certificate and current license.
2. All non-CPAs must be natural persons and actively involved in providing professional services for the licensed entity or its affiliated entities.
3. The managing partner or agent of the firm must be a Massachusetts licensed CPA.
4. Non-CPA owners do not hold themselves out to the public as CPAs or sign reports on financial statements.
5. The firm and its entire ownership, including non-CPA owners must comply with all other requirements of 252 CMR (available at www.mass.gov/dpl/boards/pa).

In order to become licensed as a CPA firm (with two or more CPA owners), the Massachusetts licensed CPA managing partner will complete the registration affidavit of the entity along with information regarding non-CPA owner(s) and their non-CPA licenses, if applicable. In addition, the managing partner must include a written statement with each non-CPA(s) individual's name(s), the date of admission as a shareholder, partner or member and the managing partner must also certify in this letter to the Board that each non-CPA partner:

1. Has not been convicted of a felony or any other crime, an element of which is dishonesty or fraud, under the laws of any state of the United States or of any other jurisdiction if the acts committed would constitute a crime under the laws of the Commonwealth; and
2. If applicable, (a) has not had any individual professional or vocational license or the right to practice a profession or vocation revoked or suspended for reasons other than nonpayment of dues or fees, or (b) does not have a pending disciplinary investigation, or (c) has not been denied reinstatement by a licensing agency of any state or the United States, or of any other jurisdiction; and
3. Has not been in violation of any rule or regulation regarding character or conduct adopted in 252 CMR; and
4. Has not failed to timely file a report of the conditions set forth above as required by subparagraph 4 of M.G.L. c. 112, §87B½ (available at mass.gov/dpl/boards/pa).

At that point, the firm could become licensed utilizing one or all of the licensed CPAs names (two or more CPA owners) and include the designation "and Company" or "and Associates" if they choose. These firms can also utilize Certified Public Accountants or CPAs in the firm name. The Board will not allow CPA firms to use fictitious names or the names of any non-CPA in the firm name.

For all CPAs who wish to register the CPA firm with non-CPA owners and only one licensed CPA owner, the Board will only allow a business corporation to use the CPA shareholders' name in the name of the firm. The Board will only allow the CPA's name and the designation "and Company" or "and Associates" if the firm maintains at least one other CPA as a full-time employee. For partnerships, LLCs and LLPs with one CPA owner of majority interest and one or more non-CPA owners of minority interest, these entities must also have at least one full-time CPA as an employee to use designations as above. Each of these entities can only designate themselves as Certified Public Accountant or use CPA in the firm name (example, G. Washington, CPA Inc. or LLC or LLP; G. Washington, Inc, Certified Public Accountant). Otherwise, the CPA owner has to verify that there is at least one CPA employee at registration of the firm (and at all times in the future) in order to use the designation as a firm of CPAs. If there are any changes in the firm CPA ownership or CPA membership of required full-time CPA employees, the firm has 30 days to notify the Board in writing of the change, and then not more than six months to rectify any firm name rule non compliance. Non compliance exits when a firm with multiple CPA owner's names in the firm name or a firm name with the designation "and Company" or "and Associates" has only one CPA owner and no full-time CPA employees.

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CPA FIRM RENEWAL AFFIDAVIT

1. Firm Name: _____ Firm License No. _____

2. Address: _____
No. Street City/Town State Zip Code

3. Phone No. (____) _____ Federal ID No. _____

4. **List names of all Massachusetts CPA's in an ownership position (shareholders, partners, and members),** license number and license expiration date. Firms with one CPA owner that have multi names and/or use "& Co. or & Assoc." in the firm name, must list on the reverse side of this form the name and other information of at least one full-time CPA employee with a Massachusetts CPA license. If the firm has Non-CPA owners, please complete the reverse side of this form. Non-CPA owners are not allowed in Professional Corporations. (Please attach sheet, if additional space is needed)

Name of CPA(s) in ownership position	License No.	Expiration Date

5. Has the firm issued reports (audits, review or compilation) on financial statements within last 3 years YES NO

6. If NO to question 5, skip numbers 7 thru 9

7. If YES to question 5, has the firm undergone a Quality Review of the report practice? YES NO

8. If NO to question 7, briefly provide reason _____

9. If YES to question 7, which RAB has accepted the QR?

American Institute of Certified Public Accountants

Mass. Association of Accountants

Mass. Society of Certified Public Accountants

New England Peer Review, Inc.

National Conference of CPA Practitioners

If other, please provide the name of this Review Acceptance Body: _____

ITEMS TO BE SUBMITTED WITH THIS RENEWAL AFFIDAVIT:

10. BC, PC, LLC and LLP must submit a copy of the most recent Annual Report as filed with the Massachusetts Secretary of State, Corporation Division.

11. A copy of the Massachusetts CPA license of all CPAs in ownership positions. Firms with one owner that have multi names and/or use "and Company or "and Associates" in the firm name must include a copy of at least one full-time CPA employee's license. All license(s) must reflect an expiration date of June 30, 2019 or 2020.

I certify that, to the best of my knowledge, the information listed herein and on the reverse side is true and accurate. If applicable, I further certify that the above named CPA firm is current and in good standing with the Massachusetts Secretary of State's Corporation Division and that the firm maintains insurance or a capital program as per 252 CMR 4.02. I agree that within 30 days, I will report any changes in the firm's name, including any changes in ownership positions and full-time CPA employees and to rectify any firm name rule non compliance within six months. Firm name non compliance exists when a firm with multiple CPA owner's names in the firm name or a firm name with the designation "and Company" or "and Associates" has only one CPA owner and no full-time CPA employees. If the firm has a name change, such change cannot be made on the License Renewal Form or the Renewal Affidavit without attaching verification that the name has been amended at the Massachusetts Secretary of State, Corporation Division. I will report the dissolution of the firm immediately to the Board, with a copy of the Articles of Dissolution from the Massachusetts Corporation Division.

Signed under the pains and penalties of perjury this _____ day of _____, 20_____.

PRINT NAME of CPA Managing Partner/Member/Shareholder

SIGNATURE CPA Partner/Member/Shareholder

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FIRMS WITH ONE CPA OWNER THAT HAVE MULTI NAMES AND/OR USE " AND COMPANY" or "AND ASSOCIATES " IN THE FIRM NAME.

Name of Full Time CPA Employee	Date Hired	License No.	Expiration Date

NON-CPA OWNER(S) OF PARTNERSHIPS, BUSINESS CORPORATIONS, LIMITED LIABILITY COMPANY OR LIMITED LIABILITY PARTNERSHIPS.

The CPA managing shareholder or member (owner) whose signature appears on the front of this form certifies that the following Non-CPA owner(s) of this firm have complied with the provisions of the Massachusetts General Laws, Chapter 112, S. 87B½ and the Rules & Regulations, 252 CMR 3.05 and 4.00.

Name of Non-CPA Owner	Date of Admission	Professional/ Vocational License Held	State/License No.

All Non-CPA owners are or conform to the following:

- (1) Natural persons active full-time in the firm or affiliated entities as described in 252 CMR 3.05.
- (2) Do not hold themselves out as CPAs or sign accountant’s reports on financial statements.
- (3) The firm and its ownership including Non-CPA owners comply with all other requirements of 252 CMR.

Further, the firms' CPA manager attests that all Non-CPA owners assent to the following condition:

- (1) None have been convicted of a felony or of any other crime, an element of which is dishonesty or fraud, under the laws of any state of the United States or of any other jurisdiction if the acts committed would constitute a crime under the laws of the Commonwealth; or
- (2) Had a professional or vocational license or the right to practice a profession or vocation revoked or suspended for reasons other than nonpayment of dues or fees or if the person has voluntarily surrendered a professional or a pending disciplinary investigation and not reinstated by a licensing agency of any state or the Unites States, or of any other jurisdiction; or
- (3) Has been or is in violation of any rule or regulation regarding character or conduct adopted in 252 CMR 3.00;or
- (4) Fails to timely file a report of the conditions set forth above as required by section (b), subparagraph 4 of M.G.L. c.112, section 87B½.

The Massachusetts Secretary of State’s office will not allow Non-CPA owners in CPA Professional Corporations and the Board revised its regulations on January 3, 2003 to license Business Corporations. In that process, the Board decided to increase the insurance requirements for Business Corporations, LLPs and LLCs, so review 252 CMR 4.00 for details. These entities must maintain sufficient insurance to comply with the license renewal requirements of M.G.L. c. 112, § 87B½, and 252 CMR.

Please review the Board’s rules and regulations 252 CMR 3.05 for further guidance on firm names, which cannot include the names of non-CPA owners or include the designation “and Company” or “and Associates” unless there are more than one CPA owner or at least one full-time CPA employee with a MA license.

Signed under the pains and penalties of perjury this _____ day of _____, 20_____.

PRINT NAME of CPA Managing Partner/Member/Shareholder

SIGNATURE CPA Partner/Member/Shareholder