



North Carolina State Board of Certified Public Accountant Examiners
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FAQs: Firm Registration

Q. How do I know if I am required to register my practice with the Board?

A. If you use "CPA" (or any words, letters, abbreviations, symbols, or other means of identification that indicate Certified Public Accountant) *in or with* the business name, the CPA must register the CPA firm with the Board. In addition, any CPA who provides, or offers to provide, a financial statement compiled as part of an audit, a review of a financial statement, a compilation of a financial statement, or any agreed-upon procedure, must register his or her CPA firm with the Board.

Q. What does "use CPA *in or with* the business name" mean?

A. The CPA firm name, "Fred G. Smith, CPA," is an example of using "CPA" *in* the business name on stationery, business cards, or any form of advertising. Board rules prohibit the use of "CPA" (or any words, letters, abbreviations, symbols, or other means of identification that indicate Certified Public Accountant) *with* the business name in a manner that could lead the public to believe that the business is a CPA firm when, in fact, the firm is not a CPA firm registered with the Board. The following is an example of using "CPA" (or any words, letters, abbreviations, symbols, or other means of identification that indicate Certified Public Accountant) with the business name in a manner that would require firm registration:

Fred G. Smith Tax & Consulting
Certified Public Accountant

Fred G. Smith
Certified Public Accountant & Business Advisor

Fred G. Smith
CPA & Consultant

The following examples show how a CPA may use the CPA title with his or her personal name but not *with* the business name on stationery, business cards, etc., or any form of advertising:

Fred G. Smith Consulting
Tax Preparation & Consulting
Fred. G. Smith, CPA

Smith Tax Preparation
Tax Advisors & Consultants
Fred G. Smith, CPA

- Q. Am I required to register my firm with the Board if I only will prepare tax returns and will not provide any attest or assurance services or use "CPA" in or with my business name?**
- A.** If you will prepare personal tax returns only and will not provide, or offer to provide, a financial statement compiled as of an audit, a review of a financial statement, a compilation of a financial statement, or any agreed-upon procedure or any other attest or assurance services and will *not* use "CPA" *in or with* your business name, it is not necessary to register your firm with the Board.
- Q. If I am an owner or an employee of a non-registered firm that provides personal tax preparation and business consulting services only, am I allowed to use "CPA" (or any words, letters, abbreviations, symbols, or other means of identification that indicate Certified Public Accountant) on the firm stationery, business cards, and any other form of advertising? Am I allowed to sign my name using "CPA"?**
- A.** If you are an owner or an employee of a non-registered firm that provides personal tax preparation and business consulting services only, you are permitted to use CPA *with your personal name, but not with your business name* on stationery, business cards, and most forms of advertising. You may not list yourself or your firm in *any* type of directory (yellow pages, online directory, etc.) under the heading "Certified Public Accountants." You may not list any accounting organization membership or logo on stationery, business cards, or any form of advertising because doing so would imply that the firm is a CPA firm, which it is not. You may sign your personal name using "CPA" (or any words, letters, abbreviations, symbols, or other means of identification that indicate Certified Public Accountant).

Board rules prohibit the use of "CPA" (or any words, letters, abbreviations, symbols, or other means of identification that indicate Certified Public Accountant) *with* the business name in a manner that could lead the public to believe that the business is a CPA firm when in fact, the firm is not a CPA firm registered with the Board.

The following examples show how a CPA may use the CPA title *with his or her personal name but not with the business name* on stationery, business cards, etc., or any form of advertising:

Fred G. Smith Consulting
Tax Preparation & Consulting
Fred. G. Smith, CPA

Smith Tax Preparation
Tax Advisors & Consultants
Fred G. Smith, CPA

Q. Through which forms of practice is my CPA firm permitted to provide services?

A. CPA firm may provide services through a sole proprietorship, a partnership, a professional corporation, a professional limited liability company, or a registered limited liability partnership, all of which must register with the Board.

Q. Through which forms of practice, that are not required to register with the Board, may my firm provide services?

A. If your firm is not required to register with the Board, you may practice as a sole proprietor or through a partnership. NCGS 93-8 prohibits the public practice of accounting (as defined in 21 NCAC 08A .0307) through any corporate form such as an LLC or general business corporation.

Q. Are there any restrictions on the name that I may use for my CPA firm?

A. A CPA may use his or her name or initials or the name or initials of any partner or shareholder in the firm name. A CPA firm may also use the name or initials of a retired or deceased partner or shareholder in the firm name as long as the name is not deceptive.

Q. If I am not required to register my firm with the Board, are there any restrictions on the name that I may use for my firm?

A. A firm that is not required to register with the Board may not use "Certified Public Accountant(s)" or "CPA(s)" (or any words, letters, abbreviations, symbols, or other means of identification that indicate Certified Public Accountant) in the firm name. The following is an example of using "CPA" *in or with* the firm name:

Fred G. Smith
Certified Public Accountant

Q. I am practicing in a firm that is not required to register with the Board. Do the Board's rules on professional ethics and conduct apply to me?

A. You are required to comply with all rules of professional ethics and conduct found in 21 NCAC 8N .0100, .0200, and .0300.

Q. I want to incorporate or form a PLLC. Do I send you my articles after I file them with the NC Secretary of State?

A. No. You must send the unfiled articles with a check for appropriate fees to the Board office so that we can send them to the Secretary of State for you along with a certification signifying that the shareholder(s) is/are properly-licensed and eligible to be an owner in professional entity.

Q. Can my corporation elect "S" corporation status instead of "C" corporation status?

A. The tax status you elect for your corporation is between your corporation and the Internal Revenue Service. The Board does not address the issue of your corporation's tax status election.

Q. When is my firm renewal due?

A. Your firm's registration renewal is due by December 31 each year.

Q. I've been registered as a CPA firm but wish to cancel my registration. Can I just let it expire?

A. No, failure to renew does not constitute terminating a firm registration. If you do not formally cancel your registration, the Board does not know whether the entity is continuing to practice public accounting without a permit.

Questions about CPA firm registration should be submitted, in writing, to Buck Winslow (bwinslow@nccpaboard.gov) Licensing Manager, and Cammie Emery (cemery@nccpaboard.gov), Licensing Specialist.