

IC 25-2.1

ARTICLE 2.1. ACCOUNTANTS

IC 25-2.1-1

Chapter 1. Title and Definitions

IC 25-2.1-1-1

Short title

Sec. 1. This article may be cited as "the accountancy act of 2007".
*As added by P.L.30-1993, SEC.7. Amended by P.L.128-2001, SEC.3;
P.L.190-2007, SEC.1.*

IC 25-2.1-1-2

Applicability of definitions

Sec. 2. The definitions of this chapter apply throughout this article.

As added by P.L.30-1993, SEC.7.

IC 25-2.1-1-3

"Accounting practitioner"

Sec. 3. "Accounting practitioner" means a person certified under IC 25-2.1-6.

As added by P.L.30-1993, SEC.7.

IC 25-2.1-1-3.3

"AICPA"

Sec. 3.3. "AICPA" refers to the American Institute of Certified Public Accountants.

As added by P.L.128-2001, SEC.4.

IC 25-2.1-1-3.8

"Attest"

Sec. 3.8. "Attest" means to provide any of the following financial statement services:

(1) An audit or other engagement performed in accordance with the AICPA Statements on Auditing Standards (SAS) or other similar standards adopted by reference under IC 25-2.1-2-15.

(2) A review of a financial statement performed in accordance with the AICPA Statements on Standards for Accounting and Review Services (SSARS) or other similar standards adopted by reference under IC 25-2.1-2-15.

(3) An examination of prospective financial information performed in accordance with the AICPA Statements on Standards for Attestation Engagements (SSAE) or other similar standards adopted by reference under IC 25-2.1-2-15.

(4) An engagement performed in accordance with the standards of the Public Company Accounting Oversight Board.

As added by P.L.128-2001, SEC.5. Amended by P.L.190-2007, SEC.2.

IC 25-2.1-1-4**"Board"**

Sec. 4. "Board" means the Indiana board of accountancy established by IC 25-2.1-2-1.

As added by P.L.30-1993, SEC.7.

IC 25-2.1-1-5**"Certificate"**

Sec. 5. "Certificate" means:

- (1) a certificate for a certified public accountant issued under IC 25-2.1-3 or IC 25-2.1-4;
- (2) a certificate of registration for an accounting practitioner issued under IC 25-2.1-6-1 (before its repeal); or
- (3) a certificate for a certified public accountant, public accountant, or accounting practitioner renewed under IC 25-2.1-4.

As added by P.L.30-1993, SEC.7. Amended by P.L.128-2001, SEC.6; P.L.190-2007, SEC.3.

IC 25-2.1-1-6**"Client"**

Sec. 6. "Client" means an individual or entity retaining a licensee for the performance of professional services.

As added by P.L.30-1993, SEC.7.

IC 25-2.1-1-6.3**"Compilation"**

Sec. 6.3. "Compilation" means providing a service to be performed in accordance with AICPA Statements on Standards for Accounting and Review Services (SSARS) or other similar standards adopted by reference under IC 25-2.1-2-15 that is presenting, in the form of financial statements, information that is the representation of the management or owners without undertaking to express any assurance on the statements.

As added by P.L.128-2001, SEC.7.

IC 25-2.1-1-6.5**"CPA"**

Sec. 6.5. "CPA" means a certified public accountant.

As added by P.L.128-2001, SEC.8.

IC 25-2.1-1-7**"Firm"**

Sec. 7. "Firm" means a proprietorship, a general business corporation, a professional corporation, a limited liability company, a partnership, or other form of legal entity issued a permit under IC 25-2.1-5 or a registration under IC 25-2.1-6.

As added by P.L.30-1993, SEC.7. Amended by P.L.128-2001, SEC.9.

IC 25-2.1-1-8

"Licensee"

Sec. 8. "Licensee" means the holder of:

- (1) a certificate; or
- (2) a firm permit issued under IC 25-2.1-5 or IC 25-2.1-6.

As added by P.L.30-1993, SEC.7. Amended by P.L.128-2001, SEC.10.

IC 25-2.1-1-8.5

"PA"

Sec. 8.5. "PA" means a public accountant.

As added by P.L.128-2001, SEC.11.

IC 25-2.1-1-8.7

"Peer review"

Sec. 8.7. (a) "Peer review" means a study, an appraisal, or a review of at least one (1) aspect of the professional work of:

- (1) an individual who; or
- (2) a firm in the practice of accountancy that;

attests or issues compilation reports, by at least one (1) individual who holds a certificate from any state and possesses qualifications that meet the applicable substantial equivalency standards and who is independent of the individual or firm being reviewed. The term includes any part of a quality review conducted before July 1, 2012, that becomes part of a peer review conducted or peer review report issued after June 30, 2012.

(b) After June 30, 2012, any reference in any law, rule, or other document to "quality review" as that term was applied under this article before July 1, 2012, shall be treated as a reference to peer review.

As added by P.L.197-2011, SEC.75.

IC 25-2.1-1-9

"Permit"

Sec. 9. "Permit" means a permit to practice accountancy as a firm issued under IC 25-2.1-5 or by another state.

As added by P.L.30-1993, SEC.7. Amended by P.L.128-2001, SEC.12.

IC 25-2.1-1-10

"Practice of accountancy"

Sec. 10. (a) "Practice of accountancy" means the performance or the offering to perform by a licensee of a service involving:

- (1) the use of accounting or auditing skills, including the issuance of reports on financial statements;
- (2) management advisory, financial advisory, or consulting services; or
- (3) the preparation of tax returns or the furnishing of advice on tax matters.

(b) The term does not include the performance or offering of the following services if the person performing or offering the services

is not a licensee and no representation is made that the person performing or offering the service is a licensee:

- (1) The selling and installing of data processing or bookkeeping equipment and forms.
- (2) The preparation of tax returns.
- (3) The performance of bookkeeping.

As added by P.L.30-1993, SEC.7. Amended by P.L.128-2001, SEC.13.

IC 25-2.1-1-10.3

"Professional"

Sec. 10.3. "Professional" means the following:

- (1) For a certified public accountant, arising out of or related to the specialized knowledge or skills associated with certified public accountants.
- (2) For a public accountant, arising out of or related to the specialized knowledge or skills associated with public accountants.
- (3) For an accounting practitioner, arising out of or related to the specialized knowledge or skills associated with accounting practitioners.

As added by P.L.128-2001, SEC.14.

IC 25-2.1-1-11

"Public accountant"

Sec. 11. "Public accountant" means an individual certified by the board under IC 25-2.1-6.

As added by P.L.30-1993, SEC.7.

IC 25-2.1-1-12

"Quality review"; expiration

Sec. 12. (a) "Quality review" means a study, an appraisal, or a review of at least one (1) aspect of the professional work of:

- (1) an individual who; or
- (2) a firm in the practice of accountancy that;

attests or issues compilation reports, by at least one (1) individual who holds a certificate from any state and possesses qualifications that meet the applicable substantial equivalency standards and who is independent of the individual or firm being reviewed.

(b) This section expires July 1, 2012.

As added by P.L.30-1993, SEC.7. Amended by P.L.190-2007, SEC.4; P.L.197-2007, SEC.27; P.L.197-2011, SEC.76.

IC 25-2.1-1-13

"Report"

Sec. 13. (a) "Report", when used with reference to financial statements, means an opinion or other form of language that states or implies assurance as to the reliability of any financial statements and that also includes or is accompanied by any statement or implication that the individual or firm issuing it has special knowledge or

competence in accounting or auditing. The statement or implication of special knowledge or competence may arise from use by the issuer of the report of names or titles indicating that the individual is an accountant or auditor or from the language of the report.

(b) The term includes any form of language that disclaims an opinion when the form of the language is conventionally understood to imply any positive assurance as to:

- (1) the reliability of the financial statements referred to; or
- (2) special competence on the part of the individual or firm issuing the language.

(c) The term includes any other form of language that is conventionally understood to imply an assurance or special knowledge or competence described in subsection (b).

As added by P.L.30-1993, SEC.7. Amended by P.L.128-2001, SEC.15.

IC 25-2.1-1-14

"State"

Sec. 14. "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, and Guam.
As added by P.L.30-1993, SEC.7.

IC 25-2.1-1-15

"Substantial equivalency"

Sec. 15. "Substantial equivalency" means a determination by the board or its designee that the:

- (1) education, examination, and experience requirements contained in the laws and administrative rules of another state are comparable to or exceed the education, examination, and experience requirements of this state; or
- (2) education, examination, and experience qualifications of the holder of a certificate granted by another state are comparable to or exceed the education, examination, and experience requirements of this state.

As added by P.L.128-2001, SEC.16.