

193A—21.4 (542) CPA firms ineligible for a practice privilege.

21.4(1) The practice privilege described in Iowa Code section 542.20 shall not be applicable if:

a. The firm or any of the firm's owners (e.g., partners, shareholders, or members) has been convicted of a felony under the laws of any jurisdiction.

b. The firm or any of the firm's owners (e.g., partners, shareholders, or members) has been convicted of any crime under the laws of any jurisdiction if an element of the crime involves dishonesty or fraud, such as forgery, embezzlement, obtaining money under false pretenses, theft, extortion, conspiracy to defraud, or similar offense, as more fully described in Iowa Code section 542.5(2).

c. The license to practice public accounting of the firm or any of the firm's owners (e.g., partners, shareholders, or members) has been suspended, revoked, or otherwise disciplined by a licensing authority in this or another state, territory, or country, for any cause other than failure to pay appropriate fees. "Disciplined" shall include the voluntary surrender of a license to resolve a pending disciplinary investigation or proceeding in Iowa or any other jurisdiction.

d. The right of the firm or any of the firm's owners (e.g., partners, shareholders, or members) to practice public accounting before any state or federal agency or the PCAOB has been suspended or revoked.

e. The firm or any of the firm's owners (e.g., partners, shareholders, or members) has applied for licensure as a certified public accounting firm or a certified public accountant in Iowa or any other jurisdiction and the application has been denied.

f. Civil penalties have been imposed against the firm or any of the firm's owners (e.g., partners, shareholders, or members) pursuant to Iowa Code section 542.14.

g. The authority of the firm or any of the firm's owners (e.g., partners, shareholders, or members) to exercise a practice privilege has been revoked in Iowa or any other jurisdiction.

21.4(2) Firms precluded from exercising a practice privilege under this rule may apply for licensure in Iowa if otherwise qualified. The board will determine when an application is submitted whether the criminal or disciplinary history or other regulatory action against the firm or against any of the firm's owners (e.g., partners, shareholders, or members) provides a ground to deny licensure.