

OCCUPATIONAL CODE (EXCERPT)
Act 299 of 1980

339.728 License to engage in practice of public accounting; application by firm; requirements; change in address; practice of public accountancy without license under subsection (1); conditions; other professional services practiced without license.

Sec. 728. (1) A firm that establishes or maintains an office in this state must apply for and obtain a Michigan license under this article in order to engage in the practice of public accounting in this state.

(2) A firm that is applying for licensure under this article shall meet both of the following requirements:

(a) At least a simple majority of the equity and voting rights of the firm are held directly or beneficially by individuals who are licensed in good standing as certified public accountants of this state or another state or the equivalent in another licensing jurisdiction acceptable to the board. Each owner who is not a certified public accountant must be an active individual participant in the firm or 1 or more of its affiliated entities. An individual with practice privileges under section 727a who performs services for which a firm license is required under this section is not required to obtain a certificate under section 726 or a registration or license under section 727.

(b) All attest and compilation services provided by the firm in this state are performed under the supervision of an individual who is licensed and in good standing as a certified public accountant in this state or another state or holds an equivalent authorization to practice public accounting from another licensing jurisdiction acceptable to the board.

(3) A firm shall notify the department of any change in address within 30 days of the change.

(4) A firm that is not required to obtain a Michigan license under subsection (1) may perform a review engagement in accordance with the statements on standards for accounting and review services, perform an examination, a review, or agreed-upon procedures engagement in accordance with the statements on standards for attestation engagements, or perform a compilation for a client in this state, only if it meets each of the following conditions:

(a) It has met the requirements in subsection (2)(a) and (b) and section 729(2).

(b) It performs those services through an individual who has practice privileges under section 727a.

(c) It is authorized or permitted to perform those services in the licensing jurisdiction where the individual described in subdivision (b) has his or her principal place of business.

(5) A firm that is not required to obtain a Michigan license under subsection (1) and that is not seeking to practice under subsection (4) may perform attest services, or any other professional services within the practice of public accountancy, while using the title "CPA" or "CPA firm" in this state without a license issued under subsection (1) only if it meets all of the following conditions:

(a) It performs those services through an individual with practice privileges under section 727a.

(b) It is authorized or permitted to perform those services in the licensing jurisdiction where the individual described in subdivision (a) has his or her principal place of business.

(c) It meets the requirements in subsection (2)(a) and (b) and section 729(2).

History: Add. 1997, Act 10, Imd. Eff. May 16, 1997;—Am. 2000, Act 334, Imd. Eff. Dec. 20, 2000;—Am. 2008, Act 161, Imd. Eff. June 11, 2008;—Am. 2010, Act 215, Imd. Eff. Nov. 23, 2010;—Am. 2014, Act 177, Imd. Eff. June 17, 2014;—Am. 2016, Act 76, Eff. July 4, 2016;—Am. 2018, Act 81, Eff. June 17, 2018.

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