

**OCCUPATIONAL CODE (EXCERPT)**  
**Act 299 of 1980**

**339.730 Contingent fee.**

Sec. 730. (1) Except as otherwise provided in this section, a certified public accountant may charge or receive a contingent fee.

(2) A licensee shall not charge or receive a contingent fee from a client during the period in which a licensee or a licensee's firm is engaged to perform for the client 1 or more of the following services or during the period of time covered by any of such client's historical financial statements involved in those services:

(a) An audit or review of a financial statement.

(b) A compilation of a financial statement when the licensee expects, or may reasonably expect, that a third party will use the financial statement and that the compilation report does not disclose a lack of independence.

(c) An examination of prospective financial information.

(3) A licensee shall not charge or receive a contingent fee for the preparation of an original or amended tax return or claim for a tax refund.

(4) As used in this section, "contingent fee" means a fee established for the performance of a service pursuant to an arrangement in which no fee will be charged unless a specified finding or result is attained or in an arrangement where the amount of the fee is dependent upon a finding or result of the service. Contingent fee does not include a fee fixed by a court or other public authority and, in tax matters, a fee determined based upon the results of judicial proceedings or the findings of a governmental agency.

**History:** Add. 1997, Act 10, Imd. Eff. May 16, 1997.

**Popular name:** Act 299