

OCCUPATIONAL CODE (EXCERPT)
Act 299 of 1980

339.734 Prohibited conduct; penalties; report to department.

Sec. 734. (1) A holder of a certificate, registration, or license as a certified public accountant or an individual exercising the practice privilege granted under section 727a and the firm employing that individual is subject to the penalties of section 602 for 1 or more of the following:

(a) Fraud or deceit in obtaining a certificate or registration as a certified public accountant, a license to practice public accounting, or a practice privilege under this article.

(b) Dishonesty, fraud, or negligence in the practice of public accounting.

(c) Violation of a rule of professional conduct promulgated under this article.

(d) Departure from standards of professional practice applicable to the engagement, at the time of engagement.

(e) Conviction of a felony under the laws of this or another state or the United States or conviction of a crime, an element of which is dishonesty, fraud, or negligence, under the laws of this or another state or of the United States, including, but not limited to, the failure to file a personal federal, state, or local income tax return.

(f) Cancellation, revocation, suspension, or refusal to renew authority to practice as a certified public accountant by another state or any jurisdiction of the United States for a cause other than failure to pay a licensure or other required fee in that state.

(g) Suspension or revocation of the right to engage in the practice of public accounting before a state or federal agency or a public accounting oversight board.

(h) Conduct discreditable to the public accounting profession.

(i) Determination of mental incompetency by a court of law.

(j) A violation of this article or a rule promulgated under this article.

(k) A violation of the provisions of section 604.

(l) A violation of professional standards regarding the issuance of reports on financial statements; 1 or more kinds of management advisory, financial advisory, or consulting services; the preparation of tax returns; or the furnishing of advice on tax matters.

(2) Notwithstanding section 602(e), a person that violates this article or a rule or order promulgated or issued under or related to this article is liable for an administrative fine payable to the department of not more than \$25,000.00 per violation.

(3) Within 30 days after a final determination rendered by a federal or state administrative agency or a judgment or conviction issued by a federal court, a state court, or any other court of record, a licensee or registrant shall report to the department in writing or electronically a determination, order, judgment, or conviction regarding a violation in which dishonesty, fraud, or negligence is an element of that determination, order, judgment, or conviction.

History: Add. 1997, Act 10, Imd. Eff. May 16, 1997;—Am. 2005, Act 278, Imd. Eff. Dec. 19, 2005;—Am. 2008, Act 161, Imd. Eff. June 11, 2008;—Am. 2010, Act 215, Imd. Eff. Nov. 23, 2010.

Popular name: Act 299