

SPECIAL NOTICE – September 2011

CPA CERTIFICATION and the

150 SEMESTER CREDIT EDUCATION REQUIREMENT (*INTERPRETATION*)

Purpose of Notice

The purpose of this special notice is to provide the **Board's interpretation** of the exceptions to Section 4.2(b)(3)(i) contained in Section 4.2(e)(2) and Section 4.2(e)(3) of the CPA Law pertaining to the one hundred fifty (150) semester credit education requirement subsequent to December 31, 2011 in connection with obtaining certification as a certified public accountant in Pennsylvania.

Please note that this notice only relates to obtaining a CPA certificate in Pennsylvania and does not relate to the requirements to sit for the CPA Examination in Pennsylvania.

The information provided in this notice is summary information, and, as such, an individual should refer to the CPA Law for the detailed provisions of the Law.

Background

Section 4.2 of the CPA Law – Requirements for Issuance of Certificate (<http://www.dos.state.pa.us/bpoa/LIB/bpoa/20/10/accbd-act.pdf>), stipulates the conditions under which the Board shall issue a certificate to practice public accounting upon application by an individual who has passed the examination and meets the education and experience requirements in the section of the law.

The education requirements for obtaining a CPA certificate are changing effective January 1, 2012.

Section 4.2 (e) (2) of the CPA Law states in part “an individual who passes at least one part of the examination taken before December 31, 2011, pursuant to subsection (b)(3)(ii), may be issued a certificate before or after December 31, 2011, without satisfying the education requirement in subsection (c)” – (i.e. the 150 semester credit education requirement).

Section 4.2 (e) (3) of the CPA Law states in part “an individual who passes at least one part of the examination taken before December 31, 2011, pursuant to subsection (b)(3)(iii), may be issued a certificate before or after December 31, 2011, without satisfying the education requirement in subsection (c)” – (i.e. the 150 semester credit education requirement).

The education requirements referred to in subsection (c) mandates that the individual must have graduated with “a baccalaureate or higher degree from a college or university accredited by a nationally recognized accrediting agency recognized by the United States Department of Education, or a college or university approved by the board, and completed a total of **one hundred fifty semester credits of post-secondary education**, including at least a total of

twenty-four semester credits of accounting and auditing, business law, finance or tax subjects of a content satisfactory to the board and an additional twelve semester credits in accounting, auditing and tax subjects of a content satisfactory to the board, not necessarily as part of the individual's undergraduate or graduate work”.

Board's Interpretation

The Board's interpretation of “Sections 4.2 (e) (2) and 4.2 (e) (3) is any individual who has passed at least one part of the examination taken before December 31, 2011, regardless of whether the credit for the part or parts passed prior to December 31, 2011 is “unexpired” or “expired” credit as of December 31, 2011 will be exempt from the 150 semester credit education requirement. Individuals meeting this criteria will be subject to the education requirements stated in Sections 4.2 (b) (3) (ii) and (iii) of the Law, which relates to the traditional baccalaureate degree (i.e. traditional 120 semester credit education requirement) or masters degree and the experience requirements of Sections 4.2(e)(2) and 4.2(e)(3).

This does not exempt an applicant from the requirement to pass all parts of the examination within an eighteen (18) month period or any other requirements for issuance of a certificate.

Examples

1. As of December 31, 2011, an individual has “unexpired” credit for a part or parts of the examination. The individual is exempt from the 150 semester credit education requirement.
2. As of December 31, 2011, an individual has passed a part or parts of the examination, but all credit for passed parts has “expired” as of December 31, 2011. The individual is exempt from the 150 semester credit education requirement.
3. As of December 31, 2011, an individual has not passed any part of the examination. The individual is subject to the 150 semester credit education requirement in order to obtain CPA certificate.