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May 6, 1977

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ARIZONA ATTORNEY GENERAL

Mrs. Alta F. Cushing
Administrative Assistant
Accountancy Board
1645 West Jefferson
Phoenix, Arizona 85007

Re: 77-95 (R77-24)

Dear Mrs. Cushing:

In your letter of January 21, 1977, you asked the following questions:

1. If a person has a C.P.A. Certificate issued in another state by examination, which does not entitle him to practice, can that person transfer grades to qualify for a certificate by examination in Arizona?¹

2. If a person has a C.P.A. Certificate issued in another state by examination, which entitles him to practice, can that person transfer grades to Arizona to obtain a second certificate by examination?

The answer to both questions is "yes". A.R.S. § 32-721 provides in pertinent part:

A. A certificate of certified public accountant shall be issued by the board to any person who:

* * *

4. Has, within a period of time specified in the rules of the board, obtained a grade of seventy-five percent in each subject of the examination for

1. We understand that in some jurisdictions a person is entitled to call himself a Certified Public Accountant if he holds a certificate issued by an educational institution notwithstanding that he does not hold a certificate issued by the state government board regulating the practice of accounting.

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certified public accountant in this state, or in any state, territory or possession, which uses the questions and grading facilities of the American Institute of Certified Public Accountants. (Emphasis added.)

This section describes the requirements a person must meet prior to the issuance of a certified public accountant's certificate. As indicated above, one of the requirements is the obtaining of a specified passing grade for each subject on the examination. This requirement further indicates that such passing grade may be from any state, territory or possession which uses the questions and grading facilities of the American Institute of Certified Public Accountants. Apparently most United States jurisdictions use this grading procedure.

The language of A.R.S. § 32-721.A.4 clearly indicates that passing grades received in any United States jurisdiction outside of Arizona which uses approved procedures has equal standing and will be accepted in this state. It follows that such grades can be transferred to Arizona from the jurisdiction where the test was administered.

It appears that all applicants may use this grade transfer. A.R.S. § 32-721 and other provisions of the accountancy laws do not limit the availability of this process to certain classes of applicants. In fact, A.R.S. § 32-721 indicates the Board "shall" issue a certificate to "any person" who meets the requirements set out therein.

We note that persons desiring a reciprocity certificate (without examination) may apply to the Board pursuant to A.R.S. § 32-727. A reasonable reading of the reciprocity application procedure indicates it to be an optional procedure; there is no requirement in A.R.S. § 32-727, or elsewhere, that applicants holding foreign practice certificates are restricted to use of the reciprocity application procedure.

Therefore, it would appear that applicants from foreign jurisdictions desiring to obtain an Arizona practice certificate may use either the reciprocity application procedure provided in A.R.S. § 32-727, if applicable, or they may use the general application procedure described in A.R.S. § 32-721 and transfer their foreign examination grades according to the procedure outlined in subsection A, paragraph 4 of that section.

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Finally we note that neither A.R.S. § 32-729 nor any other section provides for the collection of a fee for transferred examination grades. If this is a problem, it may be addressed through appropriate legislation.

Sincerely,

BRUCE E. BABBITT
Attorney General


GARY L. SHEETS
Assistant Attorney General

GLS:jrs