

Meeting Agenda
SOUTH DAKOTA BOARD OF ACCOUNTANCY

via [Microsoft Teams](#)

Meeting ID: 223 055 562 900 5 Passcode: 3Bz9G999

Or

Call +1-605-679-7263/ID: 865 973 441#

May 28, 2025, 9:00 a.m. CDT

A=Action

D=Discussion

I=Information

- | | |
|---|---------|
| A. Call to Order..... | Budahl |
| B. Public Comment..... | Oratory |
| C. A-Approval of Minutes of Meeting April 23, 2025..... | 2-3 |
| D. 9:00 Public Administrative Rules Hearing..... | 4-29 |

FUTURE MEETING DATES (all times CDT)

E. Meeting Dates

June 11, 2025 – 9:00 a.m. Teams

August 13, 2025 – 8:30 a.m. Sioux Falls, ELO Prof. LLC

F. Adjournment

Meeting Minutes
SOUTH DAKOTA BOARD OF ACCOUNTANCY

Meeting Via Microsoft Teams
April 23, 2025 9:00 a.m. CDT

Chair Deidre Budahl called the meeting to order at 9:00 a.m. A quorum was present.

Members Present: Jay Tolsma, Russell Olson, Holly Engelhart, Jeff Strand, Priscilla Romkema, and Deidre Budahl.

Others Present: Nicole Kasin, Executive Director; Julie Iverson, Licensing Administrator; and Jennifer Doubleddee, DLR Staff Attorney.

Strand made a motion to approve the agenda and proposed rules handout. Romkema seconded the motion. **MOTION PASSED.**

The Chair opened the floor for public comment. No comments were received.

Tolsma made a motion to approve the March 19, 2025, meeting minutes. Olson seconded the motion. **MOTION PASSED.**

Strand made a motion to approve the certificates and firm permits issued through April 16, 2025. Olson seconded the motion. **MOTION PASSED.**

Olson made a motion to approve the financial statements through March 2025. Strand seconded the motion. **MOTION PASSED.**

Executive Director Kasin discussed her report on CPE audits, NASBA committee interest, a recap of the NASBA Executive Directors Conference, and various states proposals on the pipeline.

The Board discussed the NASBA Exposure Draft UAA Section 5 and Section 23.

Gerald McCabe joined the meeting at 9:27 a.m.

Tommy Pollema joined the meeting at 9:29 a.m.

The regular meeting of the board was suspended at 9:33 a.m. for a public hearing to adopt rule changes. See minutes of hearing posted for action taken.

The regular meeting of the Board was reconvened at 9:42 a.m.

Tommy Pollema and Gerald McCabe left the meeting at 9:42 a.m.

Strand made a motion at 9:44 a.m. to enter executive session for the deliberative process for peer reviews, a follow-up, and consent agreement. Romkema seconded the motion. **MOTION PASSED.**

The Board came out of executive session at 9:45 a.m.

Engelhart made a motion to accept the peer reviews, follow-up, and consent agreement as discussed in executive session. Tolsma seconded the motion. **MOTION PASSED.**

FUTURE MEETING DATES (all times CT)

June 11, 2025 – 9:00 a.m. Teams meeting

August 13, 2025 – 8:30 a.m. Sioux Falls - ELO Prof LLC

Olson made a motion to adjourn the meeting. Strand seconded the motion. **MOTION PASSED.**

All business having come before the board was concluded and Chair Deidre Budahl adjourned the meeting at 9:46 a.m.

DRAFT

20:75:02:03. Examination fees. Upon good cause shown by the applicant, in accordance with § 20:75:01:07, the board may allow examination fees paid to the board to be transferred to a subsequent examination or session, but fees ~~due~~ collected by the board for payment to third party entities are not transferable. In all other cases, any fee is forfeited, and reapplication, with the appropriate fees, is required. ~~The examination fee~~ An application filed pursuant to § 20:75:02:02 entitles the applicant to sit for the examination. ~~If the applicant meets the requirements of SDCL 36-20B-13 and 36-20B-19, the applicant is eligible to apply for a certificate.~~

The fees required for the Uniform Certified Public Accountant examination ~~include the~~ consist of:

- (1) The development and scoring fee set by, and paid to, the American Institute of Certified Public Accountants, ~~the~~;
- (2) The testing delivery fee and the fee for the digital photograph required for identification purposes set by, and paid to, ~~Prometric, and the~~ contracted test administrator;
- (3) The national database and reporting fee set by, and paid to, the National Association of State Boards of Accountancy; and
- (4) The board will charge an administrative fee paid to the board, of \$30 forty dollars for each examination section ~~for the processing and assessment of the application.~~

The board shall ~~set authorization~~ establish periods ~~in which approved for~~ for applicants ~~may to~~ schedule the ~~computer-based CPA~~ Uniform Certified Public Accountant examination. An applicant's failure to schedule examination sections in ~~such authorization~~ an established period may result in the loss of examination fees as described in this section. ~~If a South Dakota candidate takes the examination in a state that requires a proctoring fee, the candidate shall pay the proctoring fee required by that state.~~

Current ~~window testing~~ fees for the delivery of the ~~uniform certified public accountant~~ Uniform Certified Public Accountant examination ~~will~~ must be posted on the examination application and ~~posted on~~ the board's website.

Source: 29 SDR 16, effective August 14, 2002; 30 SDR 119, effective February 9, 2004; 31 SDR 214, effective July 6, 2005.

General Authority: SDCL 36-20B-12(12), 36-20B-17.

Law Implemented: SDCL 36-20B-17, 36-20B-19.

Cross-Reference: Discretion to waive certain requirements, § 20:75:01:07.

CHAPTER 20:75:03

CERTIFICATES, LICENSES, AND PERMITS

Section

20:75:03:01	Application for initial certificate and replacement certificate -- Fees.
20:75:03:02	Non-renewal.
20:75:03:03	Application for renewal of certificate -- Fees.
20:75:03:04	Experience.
20:75:03:05	Ethics examination.
20:75:03:06	Denial of certificate.
20:75:03:07	Repealed.
20:75:03:08	Application for firm permit— Renewal —__ Replacement—__ Fees.
<u>20:75:03:08.01</u>	<u>Firm permit renewal -- Fees.</u>
20:75:03:09	Repealed.
20:75:03:10	Notification of firm changes.
20:75:03:11	Definitions.
20:75:03:12	Renewal of a South Dakota active certificate -- Fees.
20:75:03:13	Renewal of a South Dakota inactive certificate -- Fees.
20:75:03:14	Repealed.
20:75:03:15	Substantial equivalency and reciprocity.
20:75:03:16	Registration of a retired certificate -- Fees.

20:75:03:01. Application for initial certificate and replacement certificate -- Fees. An applicant for a certificate ~~must~~ shall submit ~~an~~ a completed application on forms provided by the board ~~within 90 days after completing all requirements for its issuance. Any applicant who has passed the examination and completes the experience requirement, but fails to apply for a certificate after three years of meeting the requirements for licensure, may be required to apply as an initial candidate to sit for the Uniform CPA examination. An application is not complete until the applicable fee is received by the board.~~

An applicant for initial issuance of a certificate under SDCL chapter 36-20B shall disclose on the application ~~all the following~~ background and character information ~~requested by the board including, but not limited to:~~

~~a.~~ (1) All states or foreign ~~jurisdiction~~ jurisdictions in which the applicant has applied for or holds a certificate, license, or permit as a CPA firm Certified Public Accountant;

~~b. Any past denial, revocation, or suspension, or refusal to renew a CPA certificate, license or permit to practice, or voluntary surrender of a CPA certificate, license or permit to resolve or avoid disciplinary action, or similar actions concerning a substantially equivalent foreign designation~~ (2) Any adverse action against a Certified Public Accountant certificate, license, or permit to practice, or substantially equivalent foreign designation, including application denial, revocation, suspension, refusal to renewal, surrender in lieu of discipline, or any other similar action;

~~c.~~ (3) Any ~~other~~ form of discipline imposed against the holder of a ~~CPA~~ Certified Public Accountant certificate, license ~~or~~, permit, or substantially equivalent foreign designation;

~~d.~~ (4) The conviction of a crime; and

~~e.~~ (5) The revocation of a professional license of any kind in ~~this or any other~~ jurisdiction.

~~The initial application fee for individuals qualifying August 1 to January 31, inclusive, an application submitted within ninety days after the applicant completes all requirements for a certificate is \$50 one hundred dollars. The late fee for applications not submitted within the 90 ninety days for individuals qualifying August 1 to January 31, inclusive, is \$100 an additional one hundred dollars. The initial application fee for those qualifying February 1 to July 31, inclusive, is \$25. The fee for applications not submitted within the 90 days for individuals qualifying February 1 to July 31, inclusive, is \$75. Any applicant who has passed the examination and completes the experience requirement set forth in SDCL 36-20B-21 and § 20:75:03:04, but fails to apply for a certificate within three years of meeting the requirements for licensure, shall apply as an initial candidate to sit for the Uniform Certified Public Accountant examination. The board may waive this requirement for good cause as defined by § 20:75:01:07.~~

~~An individual becomes applicant is~~ qualified for a certificate when the individual has successfully completed applicant completes the requirements set forth in SDCL 36-20B-19 and 36-20B-21 for applicants ~~from South Dakota~~ of this state or in SDCL 36-20B-25 and 36-20B-26 for applicants from other states. An applicant must obtain a ~~license~~ certificate to practice for the year during which requirements ~~were~~ are fulfilled. ~~The board shall issue initial certificates to individuals to practice accountancy for up to one year. Individual certificates expire~~ The certificate expires annually on July 31 thirty-first.

~~Any licensee requiring~~ A certificate holder who requires a replacement certificate ~~must contact~~ for a lost or destroyed certificate, or a name change, shall request a replacement in writing in the format provided by the board office. The fee for a replacement document is ~~\$25~~ fifty dollars.

The fees must accompany the application for an individual certificate or request for replacement of a certificate.

Source: 29 SDR 16, effective August 14, 2002; 30 SDR 119, effective February 9, 2004.

General Authority: SDCL 36-20B-12~~(3)~~.

Law Implemented: SDCL 36-20B-13, 36-20B-14, 36-20B-21, 36-20B-22, 36-20B-23, 36-20B-28, 36-20B-29.

20:75:03:03. Application for renewal of certificates -- Fees. ~~An application~~ applicant for the renewal of a certificate ~~or registration shall be made~~ submit an application on a form provided by the board ~~and shall be filed no later than the expiration date set by this section.~~ An application is not ~~considered filed~~ complete until the applicable fee is received by the board.

An applicant for renewal of a certificate ~~under SDCL chapter 36-20B~~ shall list, in the application, any state in which the applicant has applied for, or holds, a certificate or a permit as a CPA Certified Public Accountant and shall list any past denial, revocation, or suspension of a certificate or permit by any ~~other~~ state.

Any application for the renewal of certificates ~~shall~~ a certificate must be accompanied by evidence satisfactory to the board that the applicant has complied with the continuing professional education requirements under SDCL 36-20B-27 and chapter ~~20:74:04~~ 20:75:04.

~~Any license~~ A certificate that is not renewed and which has not been surrendered to the board; ~~is deemed to have expired.~~ Any individual desiring to renew an expired license shall comply with the requirements of this section. The applicant shall pay all applicable fees and penalties for late filing for each year the ~~license~~ certificate was expired.

~~An application~~ The fee for renewal must be is one hundred dollars for a completed application received by the board by ~~August 1 or must be August first,~~ postmarked by ~~August 1.~~ August first, ~~An application completed on the internet must be August first, or completed on the internet and submitted on or before 11:59 p.m. central time~~ Central Time on August 1, to be considered on time August first. ~~The fee for annual renewal submitted on time is \$50. The annual late renewal fee for annual renewal submitted late is \$100~~ is an additional one hundred dollars.

An application for renewal ~~is considered late if~~ for which the continuing education requirement has not been met ~~and an~~ by the renewal deadline is considered late, unless an extension

has ~~not~~ been granted. Failure to receive a renewal notice does not constitute an adequate reason for failing to renew the certificate in a timely manner.

~~The fee to replace a certificate lost or destroyed for any reason or to change a name is \$25. The fee must accompany the application for an individual certificate, renewal of a certificate, or request for replacement of a certificate.~~

Source: 29 SDR 16, effective August 14, 2002; 30 SDR 119, effective February 9, 2004; 33 SDR 107, effective December 26, 2006; 35 SDR 165, effective December 22, 2008; 35 SDR 305, effective July 1, 2009; 36 SDR 216, effective July 6, 2010.

General Authority: SDCL 36-20B-12(3),(17),(18),(20),(21), ~~36-20B-15, 36-20B-18, 36-20B-28.~~

Law Implemented: ~~SDCL 36-20B-14 to 36-20B-16, 36-20B-18, 36-20B-22 to 36-20B-24, inclusive, 36-20B-27, 36-20B-28.~~

~~Cross-Reference~~Cross-References:

Discretion to waive certain requirements, § 20:75:01:07~~2~~.

Extension for completion of continuing professional education, § 20:75:04:10.

20:75:03:08. Application for firm permit—Renewal -- Replacement -- Fees. ~~Any~~In order to obtain an initial permit, a firm required to hold a permit pursuant to SDCL 36-20B-32.1 ~~must apply~~ shall:

~~(1) Apply to the board for such permit on forms~~ a form provided by the board, ~~and containing the following:~~

(a) The name of the firm;

(b) Whether the firm is a sole proprietorship, partnership, or corporation;

(c) The address of the firm;

(d) The total percentage of equity ownership and the voting right of the licensees

in the firm;

(e) The name of the resident manager of the firm;

(f) The type of peer review program in which the firm participates, and the date and results of the last review;

(g) An original sheet of each type of letterhead used by the firm—~~must accompany the application;~~ and

(h) Any state in which the firm has applied for, or holds, a permit as a Certified Public Accountant firm, and any past denial, revocation, or suspension, of a permit by a state; and
~~The board shall issue initial firm permits for up to one year. Firm permits expire annually on July 31.~~

~~The~~(2) Pay the initial application fee for a firm required to hold a permit pursuant to SDCL 36-20B-32.1(1) or (2) is \$50 of one hundred dollars for each firm in this state required to hold a permit pursuant to SDCL subdivision 36-20B-32.1(1) or (2), or for each firm exercising practice privileges in this state required to hold a permit pursuant to SDCL subdivision 36-20B-32.1(3), plus;

~~(1)(a)~~ For firms with ~~1~~ one to 15 ~~nine~~ owners ~~the fee is \$65,~~ seventy-five dollars per owner;

~~(2)(b)~~ For firms with ~~16 to 25~~ ten to fifteen owners ~~the fee is \$1,000,~~ one thousand dollars;

~~(3)(c)~~ For firms with ~~26~~ sixteen to 60 ~~twenty-five~~ owners ~~the fee is \$1,500,~~ one thousand five hundred dollars;

~~(4)(d)~~ For firms with ~~61~~ twenty-six to sixty owners ~~or more the fee is \$2,000,~~ two thousand dollars;

~~(e)~~ For firms with sixty-one to one hundred owners, two thousand five hundred dollars; and

~~(f)~~ For firms with one hundred one or more owners, three thousand dollars.

The initial application fee for a firm required to hold a permit pursuant to SDCL 36-20B-32.1(3) is \$50 for each firm exercising practice privileges in this state plus;

~~(1)~~ For firms with 1 to 15 owners ~~the fee is \$65~~ per owner;

~~(2)~~ For firms with 16 to 25 owners ~~the fee is \$1,000;~~

~~(3)~~ For firms with 26 to 60 owners ~~the fee is \$1,500;~~

~~(4)~~ For firms with 61 owners ~~or more the fee is \$2,000.~~

A firm ~~must~~ shall submit an application for an initial ~~firm~~ permit within ~~90~~ ninety days after commencing an engagement. A firm ~~must~~ shall obtain a permit to practice for the year during which it commences an engagement. If the firm does not submit the application within the ~~90~~ ninety days, the firm must pay an additional ~~\$50~~ one-hundred-dollar late fee. Firm permits expire annually on July thirty-first.

~~An application for renewal of a firm permit must be received by the board by August 1 or must be postmarked by August 1. An application completed on the internet must be submitted on or before 11:59 p.m. central time on August 1, to be considered on time.~~

~~For firms required to hold a permit pursuant to SDCL 36-20B-32.1(1) or (2) the fee for annual renewal applications submitted on time is \$50 for each firm in this state plus,~~

~~(1) For firms with 1 to 15 owners the fee is \$65 per owner;~~

~~(2) For firms with 16 to 25 owners the fee is \$1,000;~~

~~(3) For firms with 26 to 60 owners the fee is \$1,500;~~

~~(4) For firms with 61 owners or more the fee is \$2,000.~~

~~For firms required to hold a permit pursuant to SDCL 36-20B-32.1(3), the fee for annual renewal applications submitted on time is \$50 for each firm exercising practice privileges in this state plus,~~

~~(1) For firms with 1 to 15 owners the fee is \$65 per owner;~~

~~(2) For firms with 16 to 25 owners the fee is \$1,000;~~

~~(3) For firms with 26 to 60 owners the fee is \$1,500;~~

~~(4) For firms with 61 owners or more the fee is \$2,000.~~

~~If the application for annual renewal is submitted late, the firm is assessed a \$50 late fee.~~

~~The fee A firm needing to replace a firm permit that is lost or destroyed for any reason, or to change a name or form of practice is \$25, shall request a replacement in writing in the format provided by the board office and pay a fee of fifty dollars. Failure to receive a renewal notice does not constitute an adequate reason for failing to renew the permit in a timely manner.~~

~~The fee fees must accompany the application for a firm permit, renewal of a firm permit, or request for replacement of a firm permit.~~

~~Each firm shall disclose the following information in the form of an application for registration, signed and acknowledged by the resident manager of the firm:~~

- ~~—— (1) The name of the firm;~~
- ~~—— (2) The type of organization (sole proprietorship, partnership, or corporation);~~
- ~~—— (3) The address of the firm;~~
- ~~—— (4) The total percentage of equity ownership and the voting rights of the licensees in the firm;~~
- ~~—— (5) The name of the resident manager of the firm;~~
- ~~—— (6) The type of peer review program in which the firm participates, and the date and results of the last review.~~

~~—— An applicant for initial issuance or renewal of a permit under SDCL chapter 36-20B shall list in the application any state in which the applicant has applied for or holds a permit as a CPA firm and shall list any past denial, revocation, or suspension of a permit by any other state. A firm that submits a renewal by the use of the internet agrees that submission of the renewal serves as the representative of the firm's signature and verification of the information in the renewal.~~

Online submission of an initial application constitutes the firm's signature and verification of the information submitted.

Source: 29 SDR 16, effective August 14, 2002; 30 SDR 119, effective February 9, 2004; 35 SDR 305, effective July 1, 2009; 39 SDR 219, adopted June 24, 2013, effective July 1, 2013.

General Authority: SDCL 36-20B-12(3)(9)(14)(18)(21).

Law Implemented: SDCL 36-20B-32 to 36-20B-34, inclusive, 36-20B-70.

20:75:03:08.01. Firm permit renewal -- Fees. In order to renew the permit, a firm required to hold a permit pursuant to SDCL 36-20B-32.1 shall:

(1) Apply to the board on a form provided by the board and containing the following:

(a) The name of the firm;

(b) Whether the firm is a sole proprietorship, partnership, or corporation;

(c) The address of the firm;

(d) The total percentage of equity ownership and the voting right of the licensees in the firm;

(e) The name of the resident manager of the firm;

(f) The type of peer review program in which the firm participates, and the date and results of the last review; and

(g) Any state in which the firm has applied for, or holds, a permit as a Certified Public Accountant firm, and any past denial, revocation, or suspension, of a permit by a state; and

(2) Pay the permit renewal fee of one hundred dollars for each firm in this state required to hold a permit pursuant to SDCL subdivision 36-20B-32.1(1) or (2), or for each firm exercising practice privileges in this state required to hold a permit pursuant to SDCL subdivision 36-20B-32.1(3), plus:

(a) For firms with one to nine owners, seventy-five dollars per owner;

(b) For firms with ten to fifteen owners, one thousand dollars;

(c) For firms with sixteen to twenty-five owners, one thousand five hundred dollars;

(d) For firms with twenty-six to sixty owners, two thousand dollars;

(e) For firms with sixty-one to one hundred owners, two thousand five hundred dollars; and

(f) For firms with one hundred one or more owners, three thousand dollars.

For a renewal application that is not received by the board by August first, postmarked by August first, or, if completed on the internet, submitted on or before 11:59 p.m. Central Time on August first, the firm must pay an additional one-hundred-dollar late fee. Failure to receive a renewal notice does not constitute an adequate reason for failing to renew the permit in a timely manner.

Online submission of a renewal application constitutes the firm's signature and verification of the information submitted.

Source:

General Authority: SDCL 36-20B-12.

Law Implemented: SDCL 36-20B-32 to 36-20B-34, inclusive, 36-20B-37, 36-20B-70.

20:75:03:11. Definitions. Terms used in reference to annual requirements of certificate holders performing public accountancy and not performing public accountancy mean:

(1) "Active certificate," a ~~CPA~~ Certified Public Accountant or ~~PA~~ Public Accountant certificate issued by this state to an individual performing accounting services, subject to the continuing professional education ~~defined~~ described in SDCL 36-20B-27;

(2) "Inactive certificate," a ~~CPA~~ Certified Public Accountant or ~~PA~~ Public Accountant certificate issued by this state to an individual who is not performing public accountancy, or offering to perform, for the public, one or more kinds of services involving the use of accounting, as ~~defined~~ described in SDCL 36-20B-27;

(3) "Retired status," a form of inactive ~~CPA~~ Certified Public Accountant or ~~PA~~ Public Accountant certificate issued by this state to an individual who is at least ~~55~~ fifty-five years of age and is no longer participating in the practice of any accounting discipline governed under SDCL chapter 36-20B.

Source: 29 SDR 16, effective August 14, 2002; 35 SDR 305, effective July 1, 2009.

General Authority: SDCL 36-20B-12(22).

Law Implemented: SDCL ~~36-20B-12(22)~~ 36-20B-27.

20:75:03:12. Renewal of a South Dakota active certificate -- Fees. ~~Any~~ A person holding a valid certificate issued by this state prior to July 1, 2002, ~~will be~~ is deemed to have met the experience requirements for licensure under SDCL 36-20B-21. An applicant who performs ~~one or more kinds of services involving the use of~~ accounting or auditing ~~skills~~ services for the public, ~~including issuance of reports on financial statements, or one or more kinds of management advisory, financial advisory, or consulting services, or the preparation of tax returns or the furnishing of advice on tax matters as defined in SDCL 36-20B-3~~ as described in SDCL 36-20B-27, shall renew ~~their~~ the certificate in an active status as defined by § 20:75:03:11.

~~Any person holding~~ A person who holds a valid certificate who is not performing accounting services ~~as defined in SDCL 36-20B-3 that~~ described above, and who wishes to use the title ~~CPA or PA~~ "Certified Public Accountant" or "Public Accountant," may renew ~~their~~ the certificate to be in an active status.

~~Certificate holders~~ A certificate holder performing or offering to perform "attest" services, as defined in SDCL 36-20B-2, ~~must~~ shall provide proof of one year of experience as required in § 20:75:03:04, verified by ~~a licensee~~ a another certificate holder other than themselves.

An application for renewal of an active certificate must be received by the board by August 1 ~~or must be first~~, postmarked by August 1. ~~An application first, or, if completed on the internet must be,~~ submitted on or before 11:59 p.m. ~~central time~~ Central Time on August 1 first, to be considered on time. The fee for annual renewal submitted on time is ~~\$50~~ one hundred dollars. The late fee for an annual renewal ~~submitted late is \$100~~ is an additional one hundred dollars. ~~Any licensee who submitted a renewal by the use of the internet agrees that submission of the renewal serves as the licensee's signature and verification of the information in the renewal.~~ Online

submission of a renewal application constitutes the certificate holder's signature and verification of the information submitted.

Source: 29 SDR 16, effective August 14, 2002; 30 SDR 119, effective February 9, 2004; 35 SDR 305, effective July 1, 2009.

General Authority: SDCL 36-20B-12~~(5) to (8)~~.

Law Implemented: SDCL 36-20B-27, 36-20B-28.

Cross-References:

Non-renewal, § 20:75:03:02.

Experience, § 20:75:03:04.

Definitions, § 20:75:03:11.

20:75:03:13. Renewal of a South Dakota inactive certificate -- Fees.~~Any~~ A person holding a valid certificate issued by this state prior to July 1, 2002,~~will be~~ is deemed to have met the experience requirements for licensure under SDCL 36-20B-21. ~~Any applicant~~ certificate holder who does not perform ~~for the public one or more kinds of services involving the use of accounting or auditing services for the public as defined described~~ in SDCL 36-20B-27 ~~will be required to renew certificates~~ may renew as an inactive certificate holder annually. ~~However, an~~ An inactive certificate holder ~~will not be~~ is not required to comply with the continuing professional education requirement ~~as required by § 20:75:03:03~~ in SDCL 36-20B-27 and chapter 20:74:04.

An application for renewal of an inactive certificate must be received by the board by August 1 ~~or must be first~~, postmarked by August 1. ~~An application first, or, if completed on the internet must be,~~ submitted on or before 11:59 p.m. ~~central time~~ Central Time on August 1 first, to be considered on time. The fee for annual renewal ~~submitted on time is \$50~~ is one hundred dollars. The late fee ~~for annual renewal submitted late is \$100~~ is an additional one hundred dollars. ~~Any licensee who submits a renewal by the use of the internet agrees that submission of the renewal serves as the licensee's signature and verification of the information in the renewal. Online submission of a renewal application constitutes the certificate holder's signature and verification of the information submitted.~~

Source: 29 SDR 16, effective August 14, 2002; 30 SDR 119, effective February 9, 2004; 35 SDR 305, effective July 1, 2009.

General Authority: SDCL 36-20B-12(5) to (8), inclusive.

Law Implemented: SDCL 36-20B-27, 36-20B-28.

20:75:03:15. Substantial equivalency and reciprocity. ~~A certificate holder licensed by another state, before establishing a principal place of business in this state, shall request the issuance of a certificate from the board pursuant to SDCL 36-20B-26.~~

An applicant for issuance or renewal of a reciprocal license pursuant to SDCL 36-20B-26 shall, in the application, list any state in which the applicant has applied for, or holds, a certificate, license, or permit, and list any past denial, revocation, or suspension of a certificate, license, or permit. Each holder of, or applicant for, a certificate shall notify the board in writing, within ~~30~~ thirty days after its occurrence, of any of the following regarding the holder or applicant:

(1) For a Certified Public Accountant certificate, license, permit, or a substantially equivalent foreign designation:

(a) An issuance, denial, revocation, or suspension of a certificate, license, or permit the designation by another state, or volunteer;

(b) The voluntary surrender of a CPA certificate, license, or permit the designation to resolve or avoid disciplinary action, or similar actions concerning a substantially equivalent foreign designation, any; and

(c) Any other form of discipline imposed against the holder of a CPA certificate, license, permit, or a substantially equivalent foreign designation, the;

(2) The conviction of any crime and the;

(3) The revocation of a professional license of any kind in any jurisdiction; and

(4) A change of address, or employment.

The application ~~shall~~ must be accompanied by a fee of ~~\$50~~ one hundred dollars. An application received after a principal place of business is established in this state is subject to a late

fee of one hundred dollars. The late fee is independent of any possible disciplinary proceedings resulting from a failure to comply with SDCL 36-20B-26.

~~The~~An applicant for initial issuance or renewal under this chapter ~~shall~~ must comply with the continuing professional education requirements for issuance or renewal in the applicant's state, or the continuing professional education requirements applicable in this state; if the applicant's state of licensure does not require continuing professional education.

If the applicant passed ~~the~~ an examination in a state that ~~is not deemed~~ the board determines not to be substantially equivalent to this state's educational requirements, the board may issue the applicant a license upon a showing that the requirements of SDCL 36-20B-25 are met and the applicant's license ~~has been deemed to be in good standing by the host state's licensing board~~ is in good standing in the state of issuance.

Source: 29 SDR 16, effective August 14, 2002; 30 SDR 119, effective February 9, 2004; 33 SDR 107, effective December 26, 2006; 35 SDR 305, effective July 1, 2009; 36 SDR 216, effective July 6, 2010.

General Authority: SDCL 36-20B-12(23).

Law Implemented: SDCL ~~36-20B-12(23)~~, 36-20B-13, 36-20B-25, 36-20B-26.

20:75:03:16. Registration of a retired certificate -- Fees. ~~Any~~ A holder of a South Dakota certificate who no longer practicing practices any form of accounting governed under ~~this chapter~~ SDCL chapter 36-20B may ~~choose to~~ register the certificate under a retired status. To be eligible for registration under the retired status, ~~an individual~~ a certificate holder must be at least ~~55~~ fifty- five years of age, ~~must~~ shall sign an affidavit attesting to the certificate ~~holders~~ holder's retired status, and shall pay an annual fee of ~~\$10~~ twenty dollars. ~~Any licensee who submits a renewal by the use of the internet agrees that submission of the renewal serves as the licensee's signature and verification of the information in the renewal.~~

An application for renewal of a retired certificate must be received by the board by August first, postmarked by August first, or, if completed on the internet, submitted on or before 11:59 p.m. Central Time on August first. Online submission of a renewal application constitutes the certificate holder's signature and verification of the information submitted.

Source: 29 SDR 16, effective August 14, 2002; 35 SDR 305, effective July 1, 2009.

General Authority: SDCL 36-20B-12~~(22)~~.

Law Implemented: SDCL ~~36-20B-12(22)~~ 36-20B-27.

20:75:07:02. Requirement for review -- Fee -- Areas to be reviewed. A ~~licensed~~ permitted firm, as a condition ~~to~~ for renewal of its ~~firm~~ permit pursuant to SDCL chapter 36-20B, must undergo a peer review, in accordance with this chapter, once every three years unless prior approval is granted by the board for special circumstances. Special circumstances ~~include~~ consist of a requirement by another reviewing body which would cause a firm's review to be outside the ~~three-year~~ three-year cycle.

The board may waive or adjust the peer review requirements for a firm that has entered into a consent agreement as a result of a pass with deficiency or fail report.

The administrative fee for a peer review is ~~\$75~~ one hundred twenty-five dollars. The administrative fee must be accompanied by a Request for Acceptance of Equivalent Review form and received by the board ~~at the board's office by June 1 or postmarked by June 1~~ first of the year in which the peer review is due. If the Request for Acceptance of Equivalent Review form is submitted late, the ~~administrative~~ late fee is ~~\$125~~ an additional seventy-five dollars. ~~The Request for Acceptance of Equivalent Review form may be obtained at the board's office.~~

If a firm filing a Request for Acceptance of Equivalent Review form has not engaged a reviewer by June ~~1~~ first, the firm must file a copy of the Request for Acceptance of Equivalent Review form by June ~~1~~ first with the ~~\$75~~ one hundred twenty-five-dollar fee. The original Request for Acceptance of Equivalent Review signed by the firm and reviewer must then be filed within ~~30~~ thirty days after the reviewer is engaged. If the original Request for Acceptance of Equivalent Review form is not filed within ~~30~~ thirty days after the reviewer is engaged, the firm must submit an additional ~~\$50~~ seventy-five dollars.

The peer review is limited to the firm's accounting and auditing practice and, ~~if required,~~ may include relevant, its related quality control system.

Source: 29 SDR 16, effective August 14, 2002; 39 SDR 33, effective September 5, 2012; 45 SDR 84, effective December 20, 2018 (effective January 1, 2020).

General Authority: SDCL 36-20B-12~~(9)(10)(11)~~.

Law Implemented: SDCL 36-20B-36.

Cross-References:

~~Equivalent reviews, § 20:75:07:05.~~

~~Selection of reviewer, § 20:75:07:06.~~

Discretion to waive certain requirements, § 20:75:01:07.

Equivalent reviews, § 20:75:07:05.

20:75:07:05. Equivalent reviews. If a firm undergoes an equivalent peer review during its three-year review cycle, it may request that the board accept the review as fulfilling the requirements of § 20:75:07:02.

The request must be submitted on forms provided by the board, and must set forth the name of the reviewing body, the date of the review, and any other information requested by the board. If the review has not been completed, the reviewer must agree to retain all materials associated with the peer review until notice from the board of the acceptance of the review. The request for acceptance of an equivalent review form must be received by the board ~~by June 1 or be postmarked by June 1~~ June first of the year in which the peer review is due with the one-hundred twenty-five dollar fee. If the firm subject to review has not engaged a reviewer by June 1 first, the firm must submit a copy of the request for equivalent review form, with the fee and without the reviewer's signature and submit the original form with the reviewer's signature within ~~30~~ thirty days after engaging the reviewer. If the original form with the reviewer's signature is not received within ~~30~~ thirty days, ~~a the firm must submit an additional late fee of \$50 will be charged~~ seventy-five dollars.

If the board approves the request for an equivalent review, the firm subject to review must submit, to the board, the reviewer's report; the findings for further consideration, if any; the reviewed firm's response to the findings for further consideration, if any; the final letter of approval; and a description of the status of any disciplinary action prescribed by the particular reviewing body. If the equivalent peer review was completed prior to the firm's request, the firm must submit the required information to the board within ~~30~~ thirty days after the date on the board's letter confirming the request. If the equivalent peer review ~~will~~ is to be completed after the firm receives board confirmation of the request, the firm must submit the required information within ~~30~~ thirty days after the date of the final letter of approval from the reviewing body. If the

information is ~~filed~~ submitted after ~~30~~ thirty days from the date of the final letter of approval from the reviewing body, it must be accompanied by a fee of ~~\$50~~ one hundred dollars.

Following receipt of the required information, the board shall proceed in accordance with § 20:75:07:15 or 20:75:07:16.

Source: 29 SDR 16, effective August 14, 2002; 30 SDR 119, effective February 9, 2004; 35 SDR 165, effective December 22, 2008; 36 SDR 216, effective July 6, 2010.

General Authority: SDCL 36-20B-12~~(9)(10)(11)~~.

Law Implemented: SDCL 36-20B-36.

20:75:07:11. Report -- Findings for further consideration. Within ~~30~~ thirty days after the date of the exit conference, the reviewer must issue a written report and, if applicable, findings for further consideration to the reviewed firm. If the reviewer issues ~~this~~ the report after the ~~30 day~~ thirty-day period, the reviewer must submit a late fee of ~~\$50~~ one hundred dollars to the board.

The report and letter must be addressed to the ~~proprietor, partners, members, officers, or shareholders~~ owner of the reviewed firm and must be dated as of the date of the exit conference.

The report must include the following:

- (1) The year covered by the review;
 - (2) A statement of the scope of the review;
 - (3) A description of the general characteristics of a system of quality control, if applicable;
- and
- (4) The reviewer's opinion.

If the opinion is pass with deficiency or fail, the report must include a description of the reasons for the deficiency.

If the reviewer finds deficiencies, the reviewer must issue, to the firm under review, findings outlining the deficiencies and ~~recommending action~~ recommend actions to correct the deficiencies.

Source: 29 SDR 16, effective August 14, 2002; 35 SDR 165, effective December 22, 2008; 36 SDR 216, effective July 6, 2010; 39 SDR 33, effective September 5, 2012.

General Authority: SDCL 36-20B-12~~(9)(10)(11)~~.

Law Implemented: SDCL 36-20B-36.

Cross-Reference: ~~Discretion to waive certain requirements, § 20:75:01:07.~~