

Question(s) and answer(s) regarding ownership of Public Accounting firms and The Firm's use of the Title Certified Public Accountant.

Q: What is the purpose of Public Act No. 12-194, "An Act Concerning The Ownership Of Public Accounting Firms And The Use Of The Title 'Certified Public Accountant'?"

A: Public Act No. 12-194 was designed to permit non-CPA ownership of public accounting firms permitted to practice in the state of Connecticut. The amended statute (Conn. Rev. Stat. § 20-281e(c)) requires that only a simple majority of the partners or members of the firm hold CPA license.

Q: Are there instances where it is not permissible to use "CPA" in the title, name or designation of the firm?

A: Under Conn. Rev. Stat. § 20-281g(e), if the firm's name itself includes (1) the title "certified public accountant", (2) the abbreviation "CPA", or (3) another title or designation that indicates the firm is composed of CPAs, then all individuals with an ownership interest in that firm must hold CPA licenses. This is the only situation where there are limitations placed on a firm's ability to use the new non-CPA statute. Please note that where there is a non-CPA equity owner, the firm name must not contain "CPA" in the firm name.