

# CPA REQUIREMENTS - EXAMINATION, LICENSE AND PERMIT TO PRACTICE

Access this form via website at: [cca.hawaii.gov/pvl](http://cca.hawaii.gov/pvl)

## BOARD'S LAWS AND RULES

Copies of the Accountancy laws, Chapter 466, Hawaii Revised Statutes, and Title 16 Chapter 71, Hawaii Administrative Rules are available by submitting a written request to: *Board of Public Accountancy, Commerce & Consumer Affairs, P.O. Box 3469, Honolulu, HI 96801.*

The laws and rules are also posted on our website at: [cca.hawaii.gov/pvl](http://cca.hawaii.gov/pvl). Click on "Accountancy".

## ADDRESS

Mail to:

Deliver to office location at:

BOARD OF PUBLIC ACCOUNTANCY  
DCCA, PVL Licensing Branch  
P.O. Box 3469  
Honolulu, HI 96801

OR

335 Merchant Street, Room 301  
Honolulu, HI 96813  
Phone No.: (808) 586-3000

## SOCIAL SECURITY NUMBER

Your Social Security number is used to verify your identity for licensing purposes and for compliance with the below laws. **For a license to be issued you must provide your Social Security number or your application will be deemed deficient and will not be processed further.**

The following laws require that you furnish your Social Security number to our agency:

### FEDERAL LAWS:

**42 U.S.C.A. §666(a)(13)** requires the Social Security number of any applicant for a professional license or occupational license be recorded on the application for license; and

If you are a licensed health care practitioner, **45 C.F.R., Part 61, Subpart B, §61.7** requires the Social Security number as part of the mandatory reporting we must do to the Healthcare Integrity and Protection Data Bank (HIPDB), of any final adverse licensing action against a licensed health care practitioner.

### HAWAII REVISED STATUTES ("HRS"):

**§576D-13(j), HRS** requires the Social Security number of any applicant for a professional license or occupational license be recorded on the application for license; and

**§436B-10(4), HRS** which states that an applicant for license shall provide the applicant's Social Security number if the licensing authority is authorized by federal law to require the disclosure (and by the federal cites shown above, we are authorized to require the Social Security number).

## EXAMINATION

### EDUCATION

Possess a baccalaureate degree and 18 semester (27 quarter) hours of upper division or graduate level courses in accounting or auditing.

***Requirement must be met prior to the candidate's 1st exam or at the latest 120 days following the 1st exam.***

Foreign School Graduates may sit for the examination by first submitting a letter of acceptance from an accredited U.S. college/university's advanced degree program, or have their credentials evaluated by an approved educational evaluation service. Contact CPA Examination Services at the address and telephone number below for details.

### RESCHEDULING OF EXAM

The examination can be rescheduled:

- at no charge if the applicant notifies the testing service at least 30 days prior to the examination date;
- with the payment of a non-refundable fee if the applicant notifies the testing service 5 to 30 days prior to the examination date;
- with the payment of a non-refundable fee if the applicant notifies the testing service within 5 days of the examination date.

The failure to appear for the examination shall result in the forfeiture of all fees charged.

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**CONDITIONAL CREDIT**

An applicant may take the required sections of the examination individually and in any order. Credit for any section passed will be valid for 18 months from the actual date the applicant took that section, without having to maintain a minimum score on any failed section(s), and without regard to whether the applicant has taken other sections.

- An applicant must pass all 4 sections of the examination within a rolling 18-month period, which begins on the date that the first section passed is taken;
- An applicant cannot retake a failed section in the same examination window;

In the event all 4 sections of the examination are not passed within the rolling 18-month period, credit for any section(s) passed will expire and that section(s) must be retaken.

**WAIVER OF ENTIRE EXAM**

The examination shall be waived if a candidate:

1. Holds a valid CPA certificate or license which was issued under the laws of another state, OR
2. Does not hold a CPA certificate or license but passed the Uniform CPA exam in its entirety in another state.

**APPLICATION**

CPA Examination Services (a division of the National Association of State Boards of Accountancy) has been contracted by the Board to administer the CPA exam. All inquiries regarding the exam, and requests for application forms, should be directed to the following:

CPA Examination Services  
Hawaii Coordinator  
150 Fourth Avenue, North  
Nashville, TN 37219-2417

Phone: (800) 272-3926  
(615) 880-4200

8:00 a.m. - 4:30 p.m. Central Time

Website: [nasba.org/nasbaweb.nsf/exam](http://nasba.org/nasbaweb.nsf/exam)

**CPA LICENSE**

Applicants must be at least 18 years of age and must have passed the Uniform CPA Examination

**EDUCATION**

1. 150 semester (225 quarter) hours of college education from an educational institution<sup>1/</sup> of higher learning, within which applicant shall have:
  - a. A baccalaureate or higher degree conferred by an educational institution, or evidence that the baccalaureate or comparable degree qualifies the applicant for acceptance into an advanced degree program at an educational institution;
  - b. 24 semester (36 quarter) hours in accounting courses, including, without limitation, courses in financial accounting, auditing, taxation, and managerial accounting, of which 18 semester (27 quarter) hours are upper division<sup>2/</sup> or graduate level accounting courses;
  - c. 24 semester (36 quarter) hours in upper division or graduate level accounting or non-accounting business-related<sup>3/</sup> courses.
2. Applicants who passed the Uniform CPA Examination before December 31, 2000, or had conditional credits before December 31, 2000 and subsequently passed the examination before the conditional credits expired, may continue to meet the following requirements:
  - a. A baccalaureate or higher degree conferred by an educational institution, or evidence that the baccalaureate or comparable degree qualifies the applicant for acceptance into an advanced degree program at an educational institution.

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<sup>1/</sup> "Educational institution" mean a four-year degree-granting college, school, university accredited by a regional or national accrediting agency or association approved by the Board.  
 • "National accrediting agency or association" includes, without limitation, the American Association of Schools and Colleges, and other similar agencies and associations approved by the Board.  
 • "Regional accrediting agency or association" includes, without limitation, the Western Association of Schools and Colleges, and other similar agencies and associations approved by the Board.  
 • To be acceptable, the educational institution shall be accredited at the time the applicant is granted the degree.

<sup>2/</sup> "Upper division courses" means courses usually taken at the junior or senior undergraduate level, and typically do not include introductory courses.

<sup>3/</sup> "Business-related courses" include: accounting and auditing; taxation; management services; computer science; economics; business law; legal and social environment of business; functional fields of business (finance, production, marketing, personnel relations, business management); organization, group, and individual behavior; quantitative applications in business; communication skills, business ethics; globalization, total-quality management; and other business-related courses as approved by the Board.

- b. 30 semester (45 quarter) hours of upper division or graduate level business-related courses (in addition to the baccalaureate degree); OR  
30 months of experience with a public accounting firm (this experience may not also be credited toward the experience requirement); and
- c. 18 semester (27 quarter) hours of upper division or graduate level accounting or auditing courses (which may have been earned while obtaining the baccalaureate degree).

Applicants with educational credentials from foreign colleges or universities must have their foreign education evaluation **if** they wish to have their hours of college education considered in qualifying for a CPA certificate. Please be advised that your evaluation **MUST** indicate which courses are **upper division or graduate level courses**.

You must provide satisfactory evidence that the degree or college credits you received from a foreign university, college, or other four-year educational institution are equivalent to a degree or credits one would receive from an accredited university, college, or other four-year educational institution in the United States, by having your academic credentials evaluated by the following Board-approved evaluation service:

**National Association of State Boards of Accountancy (NASBA)**

**International Evaluation Services (NIES)**

P.O. Box 198727

Nashville, TN 37219

(855) 468-5382 or (615) 277-9077

Fax: (615) 324-1268

Email: [nies@nasba.org](mailto:nies@nasba.org)

Website: <http://www.nasba.org/products/nasbainternationalevaluationservices/>

You may be eligible for an exemption from the education requirements if the following conditions are met:

- You hold, and have continued to hold, a valid comparable CPA certificate, registration, or license from another state for at least 10 years preceding the date of this application for a Hawaii CPA license; **and**
- You have been in the active practice of public accountancy for at least 5 years preceding the date of this application for a Hawaii CPA license.

**Submit** a completed Form CPA-05, *Verification of License/Exam Scores - CPA*, together with a signed statement from the Board of Accountancy of your state of licensure verifying that you meet the above-cited conditions.

**NOTE:** If you passed the Uniform CPA Examination in May 1998 or later as a Hawaii candidate, and you are applying for CPA licensure **within 5 years** of passing the exam, you need not submit your educational transcripts with your license application. The transcripts that you submitted to CPA Examination Services in order to qualify to take the exam should have been forwarded to the Board once you passed the examination.

**EXPERIENCE**

**Submit** a signed *Certification of Public Accountancy Experience* form (CPA-14) from your employer or supervisor who holds or had held a CPA license in Hawaii or in another state or jurisdiction during the time of your employment. This form should verify the duration and scope of your experience. On the form, your employer or supervisor should provide specific starting and ending dates for your employment, the total number of **chargeable** audit hours worked (if you are choosing to fulfill the experience requirement for licensure as a CPA with 1,500 **chargeable** hours in the performance of audits), verifying your duties and responsibilities in one of the following:

1. 1,500 **chargeable** hours in the performance of audits involving generally accepted accounting principles and auditing standards earned while employed on a full-time basis (35 or more hours per week) in public accounting practice; **OR**
2. Two (2) years of full-time professional work experience (35 or more hours per week) in public accounting practice, private industry, government, or education.

The form should also include the CPA license number of the certifying employer or supervisor who is signing the form, and the state or jurisdiction where your employer or supervisor is licensed as a CPA or was licensed as a CPA during the time that you were under his/her supervision.

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**IMPORTANT NOTICE:** This experience requirement is **in addition** to the 30-month experience option that satisfies the 30 semester hours of additional study requirement for applicants who passed the Uniform CPA Exam before December 31, 2000, or held conditional credits before December 31, 2000, and subsequently passed the exam before the conditional credits expired.

**NOTE:** If your experience was gained in the private, government, or academic sectors, and not at a CPA firm, it is crucial that the description of your duties and responsibilities be as comprehensive and inclusive as possible, so that the Board has the information required for it to determine whether your experience is equivalent to experience gained at a CPA firm.

**COMPETENCE CERTIFICATES**

Applicants shall submit three (3) *Certificate of Competence* (LB-03) forms which have been completed by people who are not related to you and will attest to your competence, trustworthiness and fairness.

**FEES**

If a license will be issued to you in an EVEN-NUMBERED year, pay ..... \$215  
(Application - \$25<sup>4/</sup>, License - \$64, Compliance Resolution Fund - \$100,  
1/2 Renewal - \$26)

If a license will be issued to you in an ODD-NUMBERED year, pay ..... \$139<sup>5/</sup>  
(Application - \$25<sup>4/</sup>, License - \$64, Compliance Resolution Fund - \$50)

**ATTACH** appropriate amount made payable to: **COMMERCE & CONSUMER AFFAIRS** (check must be made in U.S. dollars and be from a U.S. financial institution.)

**NOTE:** One of the numerous legal requirements that you must meet in order for your new license to be issued is the payment of fees as set forth in this application. You may be sent a license certificate before the payment you sent us for your required fees is honored by your bank. If your payment is dishonored, you will have failed to pay the required licensing fee and your license will not be valid, and you **may not** do business under that license. Also, a \$25.00 service charge shall be assessed for payments that are dishonored for any reason.

If for any reason you are denied the license you are applying for, you may be entitled to a hearing as provided by Title 16, Chapter 201, Hawaii Administrative Rules, and/or Chapter 91, Hawaii Revised Statutes. Your written request for a hearing must be directed to the agency that denied your application, and must be made within 60 days of notification that your application for a license has been denied.

**APPLICATION**

Submit an *Application for License-CPA* (Form CPA-04), with applicable fees and supporting documents for education and experience.

**BIENNIAL RENEWAL**

Licensees shall renew licenses and permits to practice on or before **December 31 of each odd-numbered year**. There is no grace period for renewal. Practicing public accountancy without a current license and a current permit to practice shall constitute unlicensed activity and may subject you to disciplinary action.

**PERMIT TO PRACTICE**

A PA or CPA license indicates that the licensee has met the minimum examination, education, and experience requirements.

To **practice** as a PA or CPA the licensee:

1. Shall hold a current Hawaii PA or CPA license, and
2. Shall obtain a current "Permit to Practice"

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<sup>4/</sup> Application fee is not refundable.

<sup>5/</sup> Subject to renewal December 31, odd-numbered years.

<b>APPLICATION</b>	Licensee shall submit a completed Form CPA-08, <i>Application for 20___ - 20___ Permit to Practice</i> at least 30 days before the date on which the permit will become effective.	
<b>FEES</b>	Licensee shall attach to the application the appropriate fee:	
	If you will practice as a sole practitioner, partner, principal of a public accounting firm, pay . . .	\$155 (Non-refundable Application fee - \$25; Permit to Practice fee - \$130)
	If you will practice as a staff member of one of the above, pay . . . . .	\$ 63 (Non-refundable Application fee - \$25; Permit to Practice fee - \$38)
	<b>ATTACH</b> appropriate amount made payable to: <b>COMMERCE &amp; CONSUMER AFFAIRS</b> (check must be made in U.S. dollars and be from a U.S. financial institution.)	
	<i>NOTE: A \$25.00 service charge will be assessed for payments dishonored for any reason.</i>	
<b>CONTINUING PROFESSIONAL EDUCATION</b>	Licensees applying for permits after allowing their permits to lapse or applying for the first time shall obtain 80 hours of continuing professional education (CPE).	
	Licensees renewing their Permit to Practice shall certify on the application form that 80 hours of CPE were earned during the 24 months prior to the date of application. Licensees <b>renewing</b> their permit for the <b>first</b> time may apply on a prorated basis (10 CPE per quarter) dependent on the effective date of the initial permit. All CPE hours must have the Board's approval.	
<b>CPE DEFICIENCY</b>	Licensees applying for permit renewal who fail to have 80 CPE hours by the December 31 deadline shall not be permitted to practice until the deficiency is made up. Licensees who are applying for a permit for the first time and who fail to earn 80 CPE hours by the date of application shall not be permitted to practice until the deficiency is made up. Practicing public accountancy without a current license and a current permit to practice shall constitute unlicensed activity and may subject you to disciplinary action.	
<b>CPE CARRYOVER</b>	A maximum carryover of 40 CPE hours shall be allowed.	
<b>CPE CREDIT FOR PASSING AICPA EXAM</b>	A licensee shall be credited with 80 hours of CPE for passing the Uniform CPA Examination, provided an application for permit to practice is filed within two (2) years of the notification date for passing the exam. Forty (40) hours of CPE will be credited for passing the Uniform CPA Examination if the application for permit is filed within three (3) years of the notification date for passing the exam. Credits for passing the exam may be used only once.	
<b>BOARD'S ADDRESS</b>	Mail all required items to:	Deliver to office location at:
	Board of Public Accountancy DCCA, PVL Licensing Branch P.O. Box 3469 Honolulu, HI 96801	335 Merchant Street, Room 301 Honolulu, HI 96813  Phone: (808) 586-3000
	<b>OR</b>	
<b>RELEASE OF INFORMATION</b>	If an agency or individual is assisting you with the licensure process, we will not be able to release any information to them unless you provide us with authorization. If you wish to do so, please complete the portion on <b><u>Release of Information to Third Party</u></b> , sign and date it.	

This material can be made available for individuals with special needs. Please call the Licensing Branch Manager at (808) 586-3000 to submit your request.