

**1105.3700 EXEMPTION FROM CERTIFICATE RENEWAL REQUIREMENT.**

A. A licensee who does not engage in the practice of public accounting in any manner or who does not hold out as a CPA in any manner is not required to renew the certificate. The election of exempt status by a person takes effect following notification to the board. The notification must be made on a form provided by the board and continues in effect until a future renewal application is received by the board and a certificate renewal is granted.

B. Persons granted exempt status shall inform the board of any address change within 30 days of the date of occurrence.

C. Persons electing to change from exempt status to active status shall report continuing professional education as described in subitems (1) to (3).

(1) Submit evidence of completion of 50 hours of continuing professional education per year of exemption, up to a maximum of 120 hours, to be taken within 12 months prior to the renewal application in subjects specifically approved in advance by the board and meeting the requirements in part 1105.3100. The 50-hour requirement must be prorated for periods less than a full year.

(2) If, at the time of application for exempt status, the licensee had not yet reported qualifying continuing professional education of 120 hours with a minimum of 20 hours per year for each of the three years prior to the application for exempt status, the licensee shall be required to report continuing professional education for those years in addition to the hours required in subitem (1).

(3) Hours reported in subitem (1) may be used to satisfy the requirement in part 1105.3000 to the extent the hours fall within the one- or three-year CPE period.

D. For purposes of this part, the "practice of public accounting in any manner" means issuing a report as described in Minnesota Statutes, section 326A.01, subdivision 15, whether or not a fee is received. In addition, for purposes of this subpart, "hold out" means any oral or written communication conveying that the person holds a CPA certificate, including, without limitation, the displaying of the CPA certificate in any location where business is conducted and the use of titles or legends on letterheads, business cards, resumes, office doors, or advertisements and listings, including published membership listings of professional organizations.

**Statutory Authority:** *MS s 326.18; 326A.02*

**History:** *27 SR 1425; 33 SR 476; 38 SR 1367*

**Published Electronically:** *April 28, 2014*