

STATE NON-CPA OWNERSHIP PROVISIONS

The Uniform Accountancy Act (UAA) Section 7(c) (1) and (2) allows for non-CPA ownership of firms by requiring that only a simple majority of firm ownership be by licensees.

Currently, 49 jurisdictions have the UAA simple majority provision in place. Those are:

AL, AK, AR, AZ, CA, CO, CT, DC, FL, GA, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, NE, ND, NH, NJ, NM, NV, OH, OK, OR, PA, RI, SD, TN, TX, UT, VA, VT, WA, WI, WV, WY, GU and PR.

There is 1 state that allows for non-CPA ownership, but has a higher bar than simple majority CPA ownership. It is:

SC - (66 2/3 CPA ownership required)

There are 5 jurisdictions that currently do not allow for non-CPA ownership. Those are:

DE, HI, NY, Northern Mariana Islands and VI.

Details on states that do NOT allow non-CPA ownership:

1. **Delaware:** If individuals or shareholders in a CPA firm hold themselves out as a CPA then the ownership of the firm must be 100% owned by the licensed individual shareholders within the firm. (Delaware license only) and shareholder (Delaware license only) within the firm.
2. **Hawaii:** If individuals or shareholders in a CPA firm hold themselves out as a CPA or PA then the ownership of the firm must be 100% owned by the licensed individuals (Hawaii license only) and shareholders (Hawaii license only) within the firm.
3. **New York:** Statute and rules reflect if individuals or shareholders in a CPA firm hold themselves out as a CPA then the ownership of the firm must be 100% owned by the licensed individuals shareholders within the firm.
4. **Northern Mariana Islands:** Statute and rules do not reflect information about non-CPA ownership.
5. **Virgin Islands:** Statute and rules do not reflect information about non-CPA ownership.