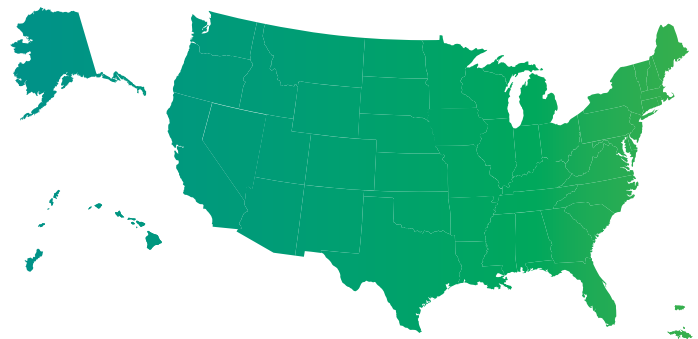


Talking to state boards about marijuana policies: Key policy suggestions for state CPA societies

The legalization of marijuana for both recreational and medicinal use continues to pose challenges for the CPA profession. While marijuana is illegal at the federal level, over half of all states allow marijuana to be sold and consumed for medical purposes, and nine states allow consumers to purchase marijuana for recreational purposes. As marijuana-related businesses are increasingly requesting services from the accounting profession, CPAs are seeking guidance from their state boards of accountancy as to whether such services are permissible.

As state societies, licensees and other stakeholders seek to engage their boards of accountancy in developing such direction, the AICPA recommends that they consider reviewing the positions of state boards that have already issued guidance on the matter. The following statements serve as examples of good policy that convey core principles that several state boards have already adopted.

- ▶ Providing accounting services to marijuana businesses operating within the boundaries of state law is, in itself, not an act discreditable, nor does such service constitute a lack of good moral character.
- ▶ The state board of accountancy will not pursue independent disciplinary action against licensees who are providing services to businesses in the marijuana industry that are operating within the boundaries of state law where services are being provided, notwithstanding a successful prosecution of a criminal act.
- ▶ The state board of accountancy will not speculate on state or federal drug policy enforcement nor seek to interpret any state's marijuana laws that are not directly related to the practice of public accountancy.
- ▶ While the state board will not sanction licensees solely for providing services to state-legal businesses in the marijuana industry, the board's position does not negate the possibility that disciplinary action may be taken by the board should a licensee be found guilty of a criminal act. The board will treat any successful prosecution related to federal or state marijuana laws just as it would the prosecution of any other criminal act.
- ▶ The state board strongly recommends that CPAs or CPA firms interested in providing services to businesses in the marijuana industry seek legal counsel to discuss potential risks, including but not limited to the continued uncertainty surrounding enforcement of applicable federal or state drug laws, anti-money-laundering laws and related provisions of the Internal Revenue Code.



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