

**Office of Chief Counsel  
Internal Revenue Service**  
memorandum

CC:PA:B2:KMattonen  
POSTNO-101855-08

date: February 8, 2008

to: Director  
Office of Professional Responsibility  
Attn: Michael Hahn

from: Special Counsel to the Associate Chief Counsel  
(Procedure & Administration)

---

subject: Practice by Idaho Public Accountants

This memorandum responds to your inquiry regarding practice before the Internal Revenue Service (IRS) by Idaho public accountants.

ISSUE

Whether individuals who hold current public accountant licenses in Idaho, but who are not certified public accountants (CPAs), are eligible to practice before the IRS by virtue of their public accountant status?

CONCLUSION

Yes. Section 500(c) of title 5 of the United States Code and its regulations provide that an individual who is duly qualified to practice as a CPA in any State, territory, or possession of the United States or the District of Columbia may represent a person before the IRS. Under Idaho law, persons in Idaho who are licensed public accountants have the same rights and privileges as CPAs. Thus, for purposes of Circular 230, a public accountant who holds a license to practice public accounting in Idaho is eligible to practice before the IRS by virtue of his public accountant license.

FACTS

Two categories of individuals may receive a certificate or license to practice public accountancy in Idaho: CPAs and public accountants. Under Idaho law, a CPA and a public accountant are defined as persons holding a valid, unrevoked and unsuspended license issued under chapter 2, title 54 of the Idaho Code. Idaho Code Ann. § 54-206(6) and (13) (2007).

LAW AND ANALYSIS

**PMTA 2010-48**

Section 500 of title 5 of the United States Code sets forth the general rules for practicing before United States administrative agencies. Paragraph (c) of this section provides that an individual who is duly qualified to practice as a CPA in a State may represent a person before the IRS by filing with the agency a written declaration that he is currently qualified as provided by this subsection and is authorized to represent the particular person in whose behalf he acts. The regulations governing practice before the IRS, Circular 230, mirror 5 U.S.C. § 500(c). Section 10.2(b) of Circular 230 defines a CPA, in relevant part, as any person who is duly qualified to practice as a CPA in any State. Section 10.3(b) further provides that any CPA who is not currently under suspension or disbarment from practice before the IRS may practice before the IRS by filing with the IRS a written declaration that he or she is currently qualified as a CPA and is authorized to represent the party or parties on whose behalf he or she acts.

The phrase "qualified to practice as a CPA" suggests that the authority to practice before the Service under 5 U.S.C. § 500(c) is not limited to persons who are CPAs in fact, but includes those persons who the State has authorized to perform the same services as CPAs.

The Idaho State Board of Accountancy (the Board) issues annual certificates and licenses to engage in the practice of public accounting to CPAs. Idaho Code Ann. § 54-211(1)(2007). CPA certificates and licenses may be issued, upon application, to any person who meets certain residency requirements, is eighteen years of age or older, of good moral character, has successfully passed the certified public accountants' examination, completes a course in professional ethics, provides evidence of at least one year of experience and meets the education requirements set forth in § 54-207. Idaho Code Ann. § 54-208(1)(2007).

Prior to July 1, 2002, the Board registered, as a public accountant, any person who was a resident of Idaho or maintained a place of business herein, had attained the age of eighteen, was of good moral character, served in the armed forces of the United States on July 1, 1976, and immediately prior to entering such service held himself or herself out to the public as a public accountant and was engaged in the practice of public accounting as his or her principal occupation. Idaho Code Ann. § 54-215 (2001)(repealed). The Board stopped registering new applicants as public accountants in 2002. *Id.* Persons registered with the Board at that time, however, may renew or reinstate their licenses to practice public accounting in the State annually. Idaho Code Ann. § 54-213(2007).<sup>1</sup>

Licensed public accountants must comply with the same ethical standards as CPAs. Idaho Admin. Code r.01.01.01.400.04. Licensed public accountants must also meet the

---

<sup>1</sup> According to the Executive Director of the Idaho Board of Accountancy, as of January 17, 2008, thirty persons held public accountant licenses in Idaho. Twenty-six of these licenses were active, one was inactive, and three were in retired status.

same continuing education requirements as CPAs.<sup>2</sup> Further, any professional services required to be performed by a CPA may be performed by a properly permitted CPA or licensed public accountant. Idaho Code Ann. §54-221(2007).

Accordingly, licensed public accountants in the State of Idaho have the same rights and privileges as CPAs. Any person who holds a current public accountant's license in the state of Idaho is, therefore, for practical purposes, a CPA and is eligible to practice before the IRS.

This writing may contain privileged information. Any unauthorized disclosure of this writing may undermine our ability to protect the privileged information. If disclosure is determined to be necessary, please contact this office for our views.

If you have any questions, please contact this office at 202-622-3400.

cc: Associate Chief Counsel (General Legal Services)  
Attn: Kirsten Witter

---

<sup>2</sup> The Idaho Board of Accountancy has promulgated the following rules regarding continuing education requirements for CPAs and licensed public accountants. CPAs and licensed public accountants, seeking license renewal shall show that they have completed no less than eighty (80) hours of CPE during the two (2) calendar years immediately preceding the date the reporting form is required, with a minimum of thirty (30) hours in any one (1) calendar year, and a maximum of fifty (50) hours recorded in any one (1) calendar year. Idaho Admin. Code r. 01.01.01.500 and 501.