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BUSINESS AND PROFESSIONS CODE - BPC

DIVISION 3. PROFESSIONS AND VOCATIONS GENERALLY [5000 - 9998.11] (*Heading of Division 3 added by Stats. 1939, Ch. 30.)*

CHAPTER 1. Accountants [5000 - 5158] (*Chapter 1 repealed and added by Stats. 1945, Ch. 1353.)*

ARTICLE 9. Accountancy Corporations [5150 - 5158] (*Article 9 added by Stats. 1970, Ch. 1113.)*

5150. An accountancy corporation is a corporation which is registered with the California Board of Accountancy and has a currently effective certificate of registration from the board pursuant to the Moscone-Knox Professional Corporation Act, as contained in Part 4 (commencing with Section 13400) of Division 3 of Title 1 of the Corporations Code, and this article. Subject to all applicable statutes, rules and regulations, an accountancy corporation is entitled to practice accountancy. With respect to an accountancy corporation, the governmental agency referred to in the Moscone-Knox Professional Corporation Act is the California Board of Accountancy.
(*Amended by Stats. 2000, Ch. 1055, Sec. 4. Effective September 30, 2000.*)

5151. An applicant for registration as an accountancy corporation shall supply to the board all necessary and pertinent documents and information requested by the board concerning the applicant's plan of operation. The board may provide forms of application. If the board finds that the corporation is duly organized and existing under the General Corporation Law or the foreign corporation is duly qualified for the transaction of intrastate business pursuant to the General Corporation Law, that, except as otherwise permitted under Section 5053 or 5079, each officer, director, shareholder, or employee who will render professional services is a licensed person as defined in the Moscone-Knox Professional Corporation Act, or a person licensed to render the same professional services in the jurisdiction or jurisdictions in which the person practices, and that from the application it appears that the affairs of the corporation will be conducted in compliance with law and the rules and regulations of the board, the board shall upon payment of the registration fee in the amount as it may determine, issue a certificate of registration. The applicant shall include with the application for each shareholder of the corporation licensed in a foreign country but not in this state or in any other state, territory, or possession of the United States, a certificate from the authority in the foreign country currently having final jurisdiction over the practice of accounting, which shall verify the shareholder's admission to practice in the foreign country, the date thereof, and the fact that the shareholder is currently in good standing as the equivalent of a certified public accountant or public accountant. If the certificate is not in English, there shall be included with the certificate a duly authenticated English translation thereof. The application shall be signed and verified by an officer of the corporation. At the time of application, if the corporation has a valid email address, it shall provide that email address to the board.

(*Amended by Stats. 2019, Ch. 359, Sec. 16. (AB 1521) Effective January 1, 2020.*)

5152. Each accountancy corporation shall file with the board at the times the board may require a report containing information pertaining to qualification and compliance with the statutes, rules and regulations of the board as the board may determine. All reports shall be signed and verified by an officer of the corporation.

(*Amended by Stats. 1994, Ch. 1077, Sec. 4. Effective January 1, 1995.*)

5152.1. Each accountancy corporation shall renew its permit to practice biennially and shall pay the renewal fee fixed by the board in accordance with Section 5134. At the time of renewal, if the corporation has a valid email address, it shall provide that email address to the board.

(*Amended by Stats. 2019, Ch. 359, Sec. 17. (AB 1521) Effective January 1, 2020.*)

5154. Except as provided in Section 5079 of this code and in Section 13403 of the Corporations Code, each director, shareholder, and officer of an accountancy corporation shall be a licensed person as defined in the Moscone-Knox Professional Corporation Act, or a person licensed to render the same professional services in the jurisdiction or jurisdictions in which the person practices.

(*Amended by Stats. 2000, Ch. 1054, Sec. 10. Effective January 1, 2001.*)

5155. The income of an accountancy corporation attributable to professional services rendered while a shareholder is a disqualified person (as defined in the Moscone-Knox Professional Corporation Act) shall not in any manner accrue to the benefit of such shareholder or his shares in the accountancy corporation.

(Added by Stats. 1970, Ch. 1113.)

5156. An accountancy corporation shall not do or fail to do any act the doing of which or the failure to do which would constitute unprofessional conduct under any statute, rule or regulation now or hereafter in effect. In the conduct of its practice, it shall observe and be bound by such statutes, rules and regulations to the same extent as a person holding a permit under Section 5070 of this code. The board shall have the same powers of suspension, revocation and discipline against an accountancy corporation as are now or hereafter authorized by Section 5100 of this code, or by any other similar statute against individual licensees, provided, however, that proceedings against an accountancy corporation shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted therein.

(Added by Stats. 1970, Ch. 1113.)

5157. The board may formulate and enforce rules and regulations to carry out the purposes and objectives of this article, including rules and regulations requiring (a) that the articles of incorporation or bylaws of an accountancy corporation shall include a provision whereby the capital stock of such corporation owned by a disqualified person (as defined in the Moscone-Knox Professional Corporation Act), or a deceased person, shall be sold to the corporation or to the remaining shareholders of such corporation within such time as such rules and regulations may provide, and (b) that an accountancy corporation as a condition of obtaining a certificate pursuant to the Moscone-Knox Professional Corporation Act and this article shall provide adequate security by insurance or otherwise for claims against it by its clients arising out of the rendering of professional services.

(Added by Stats. 1970, Ch. 1113.)

5158. Each office of an accountancy corporation engaged in the practice of public accountancy in this state shall be managed by a certified public accountant or public accountant.

(Added by Stats. 1978, Ch. 92.)