

TITLE 4: ECONOMIC RESOURCES
DIVISION 3: BUSINESSES AND PROFESSIONS

§ 3434. Unlawful Acts.

(a) No person or firm not holding a valid certificate, permit or registration issued under sections 3422 or 3423 of this Act shall issue a report on financial statements of any other person, firm, organization, or governmental unit. This prohibition does not apply to an officer, partner, member, manager or employee of any firm or organization affixing that person's own signature to any statement or report in reference to the financial affairs of such firm or organization with any wording designating the position, title, or office that the person holds therein; nor prohibit any act of a public official or employee in the performance of that person's duties as such; nor prohibit the performance by any person of other services involving the use of accounting skills, including the preparation of tax returns, management advisory services, and the preparation of financial statements without the issuance of reports thereon.

(b) The prohibition contained in subsection (a) of this section is applicable to issuance, by a person not holding a valid certificate, or registration or a firm not holding a valid permit, of a report using any form of language conventionally used by licensees respecting a review of financial statements.

(c) The prohibition contained in subsection (a) of this section is applicable to issuance, by a person not holding a valid certificate or registration or a firm not holding a valid permit, of a report using any form of language conventionally used by licensees with respect to a compilation of financial statements.

(d) No person not holding a valid certificate shall use or assume the title or designation "certified public accountant," or the abbreviation "CPA" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that such person is a certified public accountant.

(e) No firm shall practice public accountancy or assume or use the title or designation "certified public accountant," or the abbreviation "CPA," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that such firm is composed of certified public accountants, unless (1) the firm holds a valid permit issued under section 3423 of this Act, and (2) all partners, officers, members, managers and shareholders of the firm hold certificates.

(f) No person or firm not holding a valid certificate, permit or registration issued under sections 3422 or 3423 of this Act shall assume or use the title or designation "certified accountant," "chartered accountant," "enrolled accountant," "licensed accountant," "registered accountant," "accredited accountant," or any other title or designation likely to be confused with the titles "certified public accountant," or use any of the abbreviations "CA," "LA," "RA," "AA," or similar abbreviation likely to be confused with the abbreviation "CPA." The title "Enrolled Agent" or "EA" may only be used by individuals so designated by the Internal Revenue Service.

(g) No person or firm not holding a valid certificate, permit or registration issued under section 3422 or 3423 of this Act shall assume or use any title or designation that includes the words "accountant," "auditor," or "accounting," in connection with any other language (including the language of a report) that

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implies that such person or firm holds such a certificate, permit, or registration or has special competence as an accountant or auditor, provided, however, that this subsection does not prohibit any officer, partner, member, manager or employee of any firm or organization from affixing that person's own signature to any statement in reference to the financial affairs of such firm or organization with any wording designating the position, title, or office that the person holds therein nor prohibit any act of a public official or employee in the performance of the person's duties as such.

(h) No person holding a certificate or registration or firm holding a permit under this Act shall engage in the practice of public accountancy using a professional or firm name or designation that is misleading about the legal form of the firm, or about the persons who are partners, officers, members, managers or shareholders of the firm, or about any other matter, provided, however, that names of one or more former partners, members, managers or shareholders may be included in the name of a firm or its successor.

(i) None of the foregoing provisions of this section shall have any application to a person or firm holding a certification, designation, degree, or license granted in a foreign country entitling the holder thereof to engage in the practice of public accountancy or its equivalent in such country, whose activities in the CNMI are limited to the provision of professional services to persons or firms who are residents of, governments of, or business entities of the country in which the persons holds such entitlement, who issues no reports with respect to the financial statements of any other persons, firm, or government units in the CNMI, and who does not use in the CNMI any title or designation other than the one under which the person practices in such country, followed by a translation of such title or designation into the English language, if it is in a different language, and by the name of such country.

(j) No holder of a certificate issued under section 3422 of this Act shall practice public accountancy in any firm that does not hold a valid permit issued under section 3423 of this Act.

(k) Nothing herein shall prohibit a practicing attorney or firm of attorneys from preparing or presenting records or documents customarily prepared by an attorney or firm of attorneys in connection with the attorney's professional work in the practice of law.

Source: PL 13-52, § 13, modified.

Commission Comment: The Commission made conforming changes to the above subsection pursuant to 1 CMC § 3806. See the comment to 4 CMC § 3401 regarding PL 13-52. The Commission also made the following corrections to manifest clerical errors pursuant to its authority by 1 CMC § 3806(g): inserted the word "rules" in subsection (a)(7); changed the word "from" to "form" in subsection (c); changed the word "of" to "or" immediately proceeding the parenthetical in subsection (g); and removed the apostrophe in the word "persons" and made plural the word "officers" in subsection (h).