

Substantial Equivalency | NASBA

The concept of Substantial Equivalency was developed to allow licensed CPAs to practice across jurisdictions more readily. Under Section 23 of the Uniform Accountancy Act (UAA), a CPA with a CPA license in good standing from a jurisdiction with CPA licensing requirements that are essentially equivalent to those outlined in the UAA (degree with 150 hours, minimum 1 year experience and successful completion of the Uniform CPA Examination) may be granted a privilege to practice in another jurisdiction that is not the CPAs principal place of business. Several jurisdictions have adopted a Section 23 privilege to practice. It is the responsibility of the CPA to contact the board of accountancy in the state he/she intends to practice to determine if the state has adopted Section 23 and if it requires notification or payment of a fee. This information may also be found in NASBA's Accountancy Licensing Library.

NASBA's National Qualification Appraisal Service (NQAS) has reviewed the CPA licensure requirements of its member jurisdictions to determine which CPA licensure requirements are substantially equivalent to the licensure requirements of the UAA. Individuals who are licensed in jurisdictions that are not substantially equivalent may have their credentials evaluated by NASBA's CredentialNet service to determine their individual substantial equivalency.

Substantially Equivalent States

The National Qualification Appraisal Service has found the following jurisdictions to have CPA licensure requirements that are substantially equivalent to those of the UAA.

Alabama*	Georgia	Maryland	New Mexico	Tennessee
Alaska	Guam	Massachusetts	New York	Texas
Arizona	Hawaii*	Michigan	North Carolina	Utah
Arkansas	Idaho	Minnesota	North Dakota	Vermont**
California**	Illinois*	Mississippi	Ohio	Virginia
CNMI	Indiana	Missouri	Oklahoma*	Washington
Colorado**	Iowa	Montana*	Oregon	West Virginia
Connecticut	Kansas*	Nebraska*	Pennsylvania	Wisconsin
Delaware**	Kentucky	Nevada	Rhode Island	Wyoming
District of Columbia*	Louisiana	New Hampshire**	South Carolina	
Florida	Maine	New Jersey	South Dakota	

* These states are two-tier. A certificate is initially obtained which does not allow the individual full privileges as a CPA. After additional requirements are met, the certificate holder may receive a license or permit. Only those CPAs holding an active license or permit are considered substantially equivalent.

** These states currently have more than one path to licensure, with at least one path meeting the 3E criteria of the UAA (baccalaureate degree or higher with 150 semester hours, minimum 1 year experience and Uniform CPA Examination). Based on their current laws/rules, these states have passed legislation terminating the alternative paths within the time limits set forth by the UAA. (The ** notation is informational and does not affect a state's current SE status. At such time as the alternate paths to licensure expire and the 3E criteria is the sole path to licensure in these states, the ** notation will be removed.)

Non-Substantially Equivalent States

The National Qualification Appraisal Service has not found the following jurisdictions to have CPA licensure requirements that are substantially equivalent to those of the UAA.

Puerto Rico
Virgin Islands

For more information or help with Substantial Equivalency, visit NASBA's Accountancy Licensing Library at <http://www.alllibrary.com/>.