

# FREQUENTLY ASKED QUESTIONS ON INDIVIDUAL LICENSE RENEWAL - 2011

## 1. WHY HAVE I NOT RECEIVED A FORM TO RENEW MY LICENSE?

As a result of the online license renewal process that began in 2009 paper renewal forms are no longer distributed. This year online license renewal will begin on **July 1, 2011** at the Board's website [cpa.ky.gov](http://cpa.ky.gov). On the home page of the website you will click on the link entitled "**2011 Online License Renewal**". You should have already received a letter from the board staff which provides details regarding the online renewal process.

## 2. WHY DID THE RENEWAL PERIOD CHANGE?

For years licenses expired on July 1 in the year in which they were to be renewed. This meant that fees submitted to renew the license were recorded by the board as being received at the end of a state fiscal year (July 1- June 30) as opposed to the new fiscal year. In other words it appeared as if the Board had a large amount of funds in its trust and agency account at the end of each fiscal year when in fact those funds were to be used for the operation of the board for the next fiscal year. This change will result in the income being listed in the proper fiscal year which it was meant to be spent.

## 3. DID ANYTHING ELSE CHANGE WITH LICENSE RENEWALS FOR THIS YEAR?

Yes. Beginning this year a license must be renewed from **July 1** through **August 1, 2011**. On **August 2, 2011** the license will automatically expire if not renewed prior to that date. A license may be renewed **August 2** through **September 1, 2011** by paying the \$100 renewal fee plus a \$100 late fee. **After September 1 an expired license can only be reinstated.** This means the applicant must submit a reinstatement form, proof of having completed 60 or 80 hours of CPE (one half of which must be in accounting or auditing courses and 2 hours in a ethics related course) within the last two years prior to submitting the application and pay a \$200 reinstatement fee.

## 4. WHY WAS THE LENGTH OF THE RENEWAL PERIOD REDUCED?

Prior to this year applicants had until December 31 of each year to renew their license. This allowed CPAs **6** months to renew their license. It was believed this constituted too long of a period of time to renew a license so the time period was reduced.

Also the number of persons renewing their licenses after the 1 month grace period was minimal – in 2010 only 14 people out of over 3600 renewed their licenses between Sept 1 and Dec 31.

## 5. HOW DO I KNOW WHEN I AM SUPPOSED TO RENEW MY LICENSE?

If your license number is an **odd** number you are due to renew this year.

**6. HOW DO I PAY MULTIPLE LICENSE RENEWAL FEES USING ONE CREDIT CARD OR ACH DEBIT?**

Each CPA must begin the online renewal process by clicking on the “2011 Online License Renewal” link and complete all steps up to the “Edit and Certification” page. The CPA should then click on the “logout” button. Then the employee completing the renewal process on behalf of each CPA must click on the “2011 Online License Renewal” link and key in the CPA’s last name and last 5 digits of the CPA’s social security number. The employee should then click on the “Renew another licensee” button to pay for additional licensee renewals. After all licensees are in the “hold queue” the employee must then click on the “Pay Now” button. The employee then chooses one of the payment options presented and follows the instructions contained on the screen. Be sure to PRINT the “Receipt” page

**7. I AM A SOLE PROPRIETOR DO I NEED A FIRM LICENSE TOO?**

**NO.** Your individual license also serves as your sole proprietor license.

**8. WHEN DO I NEED A FIRM LICENSE?**

If you practice in any business form other than a sole proprietor (i.e. PSC, PLLC, LLP, etc.) then you must obtain a firm license, in addition to your individual license. **The Firm license may expire in a different year than the individual license.**

**9. CAN I PAY THE RENEWAL FEE WITH A CREDIT CARD?**

**YES.** The online renewal process allows you to pay by credit card.

**10. I ALREADY RENEWED MY MEMBERSHIP AND PAID MY DUES. WHAT IS THIS RENEWAL ABOUT?**

You may have already paid fees and renewed your membership to the KY Society of CPA’s or the AICPA. Those are private professional organizations that represent CPA’s. The Board of Accountancy is not affiliated with those organizations.

**11. I RECEIVED MY LICENSE FOR THE FIRST TIME IN 2010. I THOUGHT THE LICENSE WAS GOOD FOR TWO YEARS SO DO I HAVE TO RENEW THIS YEAR?**

The first time you receive a license you may have to renew it in less than two (2) years. However, you do not have to obtain all of the continuing education hours required for those who held the license for a full two (2) years. Instead, you only have to obtain two (2) hours for each full month you were licensed.

**12. CAN I USE CPE HOURS I HAVE EARNED SO FAR IN 2011 TO RENEW MY LICENSE?**

**YES.** You should have obtained the necessary CPE hours to renew your license in 2011 between Jan. 1, 2009-Dec. 31, 2010. However if necessary you may also use hours obtained in 2011, so long as the hours were completed prior to the date you renew your license. These hours cannot be used to renew your license in 2013.

**NOTE: THIS GRACE PERIOD WILL NO LONGER BE EFFECTIVE AFTER THIS YEAR. THEREFORE WHEN YOU RENEW YOUR LICENSE IN 2013 YOU MUST HAVE COMPLETED ALL OF YOUR CPE HOURS BETWEEN JANUARY 1, 2011-DECEMBER 31, 2012.**

**13. IS THERE A MINIMUM NUMBER OF CPE HOURS I AM SUPPOSED TO OBTAIN EACH YEAR FOR MY LICENSE?**

**NO.** Kentucky does not have a minimum per year.

**14. I TOOK MORE CPE COURSES IN 2009-2010 THAN I NEED TO RENEW MY LICENSE THIS YEAR. CAN I CARRY FORWARD ANY OF THOSE HOURS TO RENEW MY LICENSE IN 2013?**

**NO.** Continuing education hours earned during the Jan. 1, 2009 – Dec. 31, 2010 reporting period can only be used for the 2011 renewal.

**15. DO PERSONAL IMPROVEMENT COURSES QUALIFY AS CPE COURSES?**

**NO.** An acceptable CPE course is a formal program of learning which contributes directly to the professional competence of a certified public accountant. Programs designed to improve a CPA in their personal life do not qualify as acceptable CPE courses.

**16. I AM LICENSED IN ANOTHER STATE AND MY PRINCIPAL OFFICE IS LOCATED IN THAT STATE. DOES KY REQUIRE ME TO REPORT MY CPE HOURS WHEN I RENEW MY LICENSE?**

**NO.** A CPA seeking renewal of his KY license who at the time of renewal maintains his principal office in another state is **not** required to report his CPE hours to KY so long as the CPA is fulfilling the CPE requirements in the state where his principal office is located. If the state in which the CPA's principal office is located has no continuing professional education requirements, the CPA shall comply with all the CPE requirements for renewal of a license in this state.

**17. ARE THERE ANY WAIVERS FROM THE CONTINUING EDUCATION REQUIREMENTS?**

There are **waivers** due to medical, psychological, or severe hardships. A retirement waiver can be obtained if you are completely retired from the practice of public accounting and at least 55 years of age. You may review the information located on the board website at [cpa.ky.gov](http://cpa.ky.gov). Click on the link "Practicing Certified Public Accountants", and then click on "Continuing Professional Education". Scroll down until you see "CPE Waivers". You can review that information and also download a CPE waiver form.