

ACCOUNTANTS: State Board of Accountancy -

Candidate for
C.P.A. examination
need not be in pub-
lic practice.

May 25, 1943

Mr. Eugene D. Cronk
Secretary
State Board of Accountancy
809 Ambassador Building
St. Louis, Missouri



Dear Sir:

This will acknowledge receipt of your letter of
May 22, 1943, in which you request an opinion as follows:

"The State Board of Accountancy, at
their meeting held May 17, 1943, au-
thorized me to request you to give us
your opinion as to whether or not it
is necessary for a candidate for the
C. P. A. examination to be in public
practice in order to sit for said ex-
amination."

Section 14906 R. S. Missouri, 1939, partially reads
as follows:

"The governor shall, within thirty
days after the taking effect of this
chapter, appoint five persons, who
shall constitute the board of ac-
countancy, each member of which shall
have been engaged in the reputable
practice as a public accountant for a
continuance period of three years im-
mediately preceding the passage of
this chapter, one of which shall have
been in the state of Missouri. * * *"

It is very noticeable under the above partial section that it is mandatory that each of the five persons appointed by the Governor as members of the Board of Accountancy shall have been engaged in the reputable practice as a public accountant for a continuous period of three years immediately preceding passage of this chapter, one of which shall have been in the State of Missouri. This chapter, 115, of the Revised Statutes of Missouri, 1939, appeared in the Revised Statutes of Missouri, 1929. Upon the expiration of the board members' terms the new members to be appointed shall hold certificates as certified public accountants, as set out in this section. At the time of the enactment of the chapter it goes without saying that certified public accountants were not created and the Legislature saw fit to refer to the first members as "public accountants."

"Public accountants" are public only in the sense that their services are offered to anyone who chooses to employ them. (*Ultramares Corp. v. Touche*, 174 N. E. 441, 255 N. Y. 170.)

Section 14907, par. (b), R. S. Missouri, 1939, reads as follows:

"Applicants for certificates, before taking the examination, must produce evidence satisfactory to the board that they are over twenty-five years of age, of good moral character, a graduate of a high school with a four years' course, or have an equivalent education, or pass an examination to be set by the board and that they have had at least three years' practical accounting experience."

It is very noticeable that the Legislature saw fit to require as qualifications of a person who desired to take the examination to become a certified public accountant that he have at least three years' practical accounting experience. It did not see fit to say, three years practical accounting experience immediately preceding the time of the taking of the examination, or, that he should be

in public practice at the time he applied to take the examination. In construing this partial section the primary rule of construction of statutes is to ascertain and give effect to lawmakers' intent, which should be done from words used, if possible, considering the language honestly and faithfully to ascertain its plain and rational meaning and to promote its object and manifest purpose. (City of St. Louis v. Pope, 126 S. W. (2d) 1201, 344 Mo. 479.)

If it was the intention of the Legislature that the person applying for examination to become a certified public accountant should be in public practice at the time it would have set out in paragraph (b) of Section 14907, supra, the words, "who is in public practice at the time that he applied for said examination, and not, "that they have had at least three years' practical accounting experience", as it appears in said paragraph.

It is very noticeable that Section 14907, paragraph (b), supra, does not state the words "public accountant" as set out in Section 14906, supra, but states, "practical accounting experience."

A very similar situation arose in the District of Columbia, which case is reported in 10 Fed. Cases 1032. The facts under that case were that the charter of the Mechanics' Bank, located in the District of Columbia, provided that eight of the directors should be practical mechanics. The Federal Court held that it was not necessary, in order to render directors eligible, that they should be in actual practice as practical mechanics at the time of their election, it being sufficient that they were practical mechanics and had been in actual practice. (Gray v. Mechanics' Bank, 10 F. Cases 1032.)

Also, in this State, in a damage suit against a railroad, an instruction was attacked where they used the words, "practical railroad operatives." The Supreme Court, in defining such a term said that a practical railroad operative must be one of experience in that line. (Loftus v. Metropolitan Street Railway Company, 119 S. W. 942, 220 Mo. 470.)

Since the Supreme Court defined "practical railroad operatives" as above set out, then their definition could be used in defining the words, "practical accounting experience"

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as set out in Section 14907, paragraph (b), supra. In other words, all that is required of a candidate to take an examination to be a certified public accountant would be that he had had at least three years' practical accounting experience and it would not be necessary that he be in public practice at the time he applied for the examination.

Effect must be given, if possible, to every word, clause, paragraph and section of a statute and a statute should be so construed that effect may be given to all of its provisions, and so that no paragraph or section will be inoperative, superfluous, contradictory, or conflicting, and so that one section or paragraph will not destroy another. (Graves v. Little Tarkio Drainage District No. 1, 134 S.W. (2d) 70, 345 Mo. 557.)

CONCLUSION

It is, therefore, the opinion of this department that it is not necessary for a candidate for the certificate of certified public accountant to be in public practice at the time he takes the examination.

It is further the opinion of this department that in construing paragraph (b) of Section 14907 R. S. Mo., 1939, in reference to the term, "that the applicant should have had at least three years' practical accounting experience", it is only necessary that he have that experience at any time previous to the time that he becomes a candidate for the examination.

Respectfully submitted

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APPROVED BY:

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