

TXCPA LEGISLATIVE PRIORITIES FOR THE 89TH TEXAS LEGISLATIVE SESSION

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The Texas Society of CPAs (TXCPA) is the largest and most influential accounting and finance association in Texas representing over 28,000 members. TXCPA is the leading advocate of the CPA and accounting profession in Texas. TXCPA is committed to safeguarding the CPA license and advancing the interests of the profession at the Texas Capitol.

CPAs play a vital role in Texas' economy, fostering trust in business and serving taxpayers. To meet the rising demand driven by the state's growth, TXCPA is actively supporting the next generation of accounting professionals.

SB 262 (Sen. Perry) / HB 1757 (Rep. Button)

Alternative Pathway to Licensure

TXCPA supports SB 262/HB 1757 which will provide accounting student and CPA candidates an alternative educational pathway to becoming licensed. The new pathway will remove much of the financial and time-related burdens that exist in the traditional pathway to licensure.

Currently, CPA candidates must complete 150 hours of education, gain one year of work experience, and pass the CPA Exam. However, as the number of CPA candidates continues to decline, new licensure pathways can provide much-needed flexibility for students.

The proposed alternative pathway would require:

- A bachelor's degree with the necessary accounting and business courses;
- Two years of relevant work experience as defined by Board rule (TXCPA and other stakeholder will be involved to set the parameters for the added year of experience);
- Passage of the Uniform CPA Exam.

This initiative will allow for three distinct educational and experience pathways to CPA licensure, accommodating the diverse needs of students and fostering a broader pipeline into the profession.

SB 522 (Sen. Perry) / HB 1764 (Rep. Button)

Enhance CPA Practice Mobility

TXCPA supports SB 522/HB 1764 that preserves CPA mobility and practice privileges that out-of-state CPAs use to service and taxpayers and business in Texas. The "driver's license" model of mobility that current exists allows licensed CPAs from other states to serve clients in Texas.

To maintain this simple and seamless system of mobility in a changing national licensing environment, TXCPA supports legislation to maintain mobility for existing CPAs and provide mobility for future licensees if they:

- Are licensed and in good standing in another state,
- Hold a bachelor's degree with required accounting and business courses,
- Have completed one to two years of work experience (depending on their education pathway),
- Have passed the Uniform CPA Exam, and
- Are subject to Texas jurisdiction and the Texas State Board of Public Accountancy's authority.

This approach guarantees that all CPAs practicing in Texas meet rigorous standards, supporting a strong, accessible, and regulated accounting profession.

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Limited Access to Licensee Information from State Boards

Access to detailed licensee information is vital for statewide membership organizations to allow them to continue and grow their advocacy and membership programs. TXCPA supports legislation that will enable professional societies, trade associations, and other statewide membership organizations to have some access to more detailed licensee information. The legislation will provide protections to licensees that their information is not widely available to the general public.

The legislation will limit the use of the licensee information only for membership and advocacy purposes, would limit the sharing of the information to third parties, and would provide an opt-out mechanism for a licensee and prevent the licensing board from sharing the information to a membership organizations.

Sales Tax on Professional Services

TXCPA opposes a sales tax on professional services. Professional service taxes are difficult to administer, do not raise a significant amount of money and create inequities in the tax system. TXCPA works closely with other regulated professions (doctors, lawyers, realtors and others) to prevent the imposition of a sales tax on professional services.

Proper Regulatory Oversight of the CPA License

TXCPA will defend against any legislation that in any way limits, diminishes or affects the importance and rigor of the CPA license. The CPA license protects the general public and the accounting profession, and is a key factor making sure the markets and the Texas economy have a solid foundation.

Monitoring Tax Legislation

TXCPA will monitor, review and analyze all tax legislation (tax proposals, property tax, tax deadlines, new/repealed taxes) to ensure that all issues and concerns that are vital to the accounting profession are addressed. TXCPA is your resource for analyzing legislation and its effect on businesses, taxpayers and the Texas economy.