

**Reasons to OPPOSE Proposed Senate Bill No. 9,
“An Act Adjusting Fees for Occupational Licenses, Certifications, and
Registration Fees.”**

- At \$565 annually, the Connecticut CPA is already paying far and away the highest license fee in the entire United States. The Connecticut CPA pays six times the national CPA license fee average of \$94. Rather than increasing the Connecticut CPA license fee, it should be lowered to be more in line with that national average of \$94.
- A CPA in our border state of New York only pays \$97 annually for a license and is billed \$292 on a triennial basis. For that same three-year licensing period, a Connecticut CPA pays \$1,695. We pay almost six times more than our New York neighbors every year.
- A CPA in our border state of Rhode Island pays \$125 annually for a license. A Connecticut CPA pays four-and-a-half-times that amount every year.
- A CPA in our border state of Massachusetts pays \$81 annually for a license. A Connecticut CPA pays seven times that amount every year.
- Looking at our other Northeastern neighbor states, a New Jersey CPA pays only \$45 annually for a license, and a Pennsylvania CPA pays only \$50 annually for a license. The Connecticut CPA pays a double-digit multiple of those fees annually.
- Other selected states such as North Carolina (\$60 annual CPA license fee), South Carolina (\$80 annual CPA license fee), Michigan (\$100 annual CPA license fee), and Illinois (\$40 annual CPA license fee) have fees that are but a fraction of Connecticut's.
- Compared to the remaining New England states, Connecticut's annual license fee is nine-and-one-half times as expensive as Vermont's \$60, six times as expensive as New Hampshire's \$92, and more than 10 times as expensive as Maine's \$55.
- The New England mean average for an annual CPA license fee – without figuring in Connecticut – is \$83. When you do figure in Connecticut's nation-high fee, that mean average double to \$163.

- Some public accounting firms, including the large firms, are expanding in Connecticut. Our nation-high annual CPA license fee of \$565 is one more expense that these firms consider when they decide whether to expand in Connecticut... or just across the border in a neighboring state. The \$565 already puts us at a competitive disadvantage, and further increasing this fee is very definitely a move in the wrong direction.
- Many firms are rethinking paying for their employees' license fees as an employment benefit at the current \$565 per head. Raising our CPA license fee will only heighten that evaluation. Many employees only maintain their license because their employer covers that considerable \$565 expense.
- CPAs don't have to be licensed unless they are performing attestation work – audits, compilations, or reviews -- or they are holding themselves out to the public as a CPA. Many CPAs do not perform attestation work.
- Under "CPA Mobility," a CPA licensed in another state does not have to be licensed in Connecticut to perform work here. CPA Mobility is an agreement held among 53 of the 55 states and jurisdictions. The remaining two, Hawaii and the Marianna Islands, have active legislation to consider it.
- By maintaining a license, a CPA subjects himself or herself to state regulation, thereby protecting the public they serve. With Connecticut's nation-high license fee threatening to increase even more, the result will be fewer and fewer CPA licensees to regulate.
- Connecticut's \$565 annual CPA license fee discourages the newly certified, who do not necessarily need to be licensed but would like to be, from obtaining a license. They are proud of their hard work and accomplishment but disenchanted at having to pay such an exorbitant fee to obtain a license.
- Similarly, seasoned CPAs winding down their careers are financially discouraged from maintaining their licenses.
- Connecticut's annual CPA license fee is clearly out of line with the fees paid by the CPAs in every other state of the nation. It's effectively assessing an additional, undeclared tax on small businesses rendering professional services.

- After Connecticut, the state with the next highest CPA license fee is Wyoming, at \$200. That is roughly one third (\$188) of the Connecticut fee.
- At the other end of the spectrum, the state with the lowest CPA license fee, Missouri, only charges \$20. A Connecticut CPA license is 28 times as expensive.
- Connecticut legislators must reject Proposed Senate Bill No. 9, “An Act Adjusting Fees for Occupational Licenses, Certifications, and Registrations” and its concept in any form.