

**Commissions and Contingent Fees**

AICPA State Regulation and Legislation

*Commissions & contingent fees are prohibited if the CPA is engaged in an audit or compilation and/or examination of financial information such as preparing an original or amended tax return or claim for a tax refund. If any of these services are not being performed, a commission & contingent fee is permitted unless noted in this chart so long as it is disclosed to the client.*

*Referral fees in the states that allow commissions & contingent fees require disclosure of the acceptance and/or the payment of the referral fee to the client, unless otherwise noted as being prohibited in this chart.*

|  |  |
| --- | --- |
| **Jurisdiction** | **Commissions/Contingent Fees** |
| Alabama | Allowed |
| Alaska | Allowed |
| Arizona | Allowed |
| Arkansas | Allowed |
| California | Acceptance of a commission or contingent fee is allowed, but payment of a commission is prohibited. Acceptance of a referral fee is also prohibited. |
| Colorado | Allowed |
| Commonwealth of Northern Mariana Islands | Allowed |
| Connecticut | Allowed |
| Delaware | Allowed |
| District of Columbia | Allowed |
| Florida | Allowed |
| Georgia | Allowed |
| Guam | Allowed |
| Hawaii | Prohibited (via regulation) |
| Idaho | Allowed |
| Illinois | Allowed |
| Indiana | Allowed |
| Iowa | Allowed |
| Kansas | Allowed |
| Kentucky | Allowed |
| Louisiana | Allowed |
| Maine | Allowed |
| Maryland | Allowed |
| Massachusetts | Allowed |
| Michigan | Allowed |
| Minnesota | Allowed |
| Mississippi | Allowed (Contingent fees prohibited) |
| Missouri | Allowed |
| Montana | Allowed |
| Nebraska | Allowed |
| Nevada | Allowed |
| New Hampshire | Allowed |
| New Jersey | Allowed |
| New Mexico | Allowed |
| New York | Allowed  |
| North Carolina | Allowed |
| North Dakota | Allowed |
| Ohio | Allowed |
| Oklahoma | Allowed |
| Oregon | Allowed |
| Pennsylvania | Allowed |
| Puerto Rico | Prohibited |
| Rhode Island | Allowed |
| South Carolina | Allowed |
| South Dakota | Allowed |
| Tennessee | Allowed |
| Texas | Allowed |
| Utah | Allowed |
| Vermont | Allowed |
| Virginia | Allowed |
| Virgin Islands | Prohibited  |
| Washington | Allowed |
| West Virginia | Allowed |
| Wisconsin | Allowed |
| Wyoming | Allowed |
| **Uniform Accountancy Act** | **Allowed under Section 14 (n-o)** |

*A provision permitting the acceptance of commissions and contingent fees, is included in the Uniform Accountancy Act as Sections 14 (n-o). The language is taken from the AICPA’s Code of Professional Conduct.*

**Notice to Readers**

This information is designed to provide illustrative information with respect to the subject matter covered. It was prepared by AICPA staff and has not been considered or acted upon by any senior committees or the AICPA Board of Directors and does not represent an official opinion or position of the AICPA. It is provided with the understanding that the AICPA and its staff are not engaged in rendering legal, accounting, or other professional service. If legal advice or other expert assistance is required, the services of a competent professional person should be sought. The AICPA and its staff make no representations, warranties, or guarantees about and assume no responsibility for the content or application of the material contained herein and expressly disclaim all liability for any damages arising out of the use of, reference to, or reliance on such material.  Any such use, reference or reliance is at your own risk.