



## Official release

Revised “Records Requests”  
interpretation (ET sec. 1.400.200) under  
the “Acts Discreditable Rule” (ET sec.  
1.400.001)

**AICPA Professional Ethics Division**

**Effective July 31, 2021**

*© 2021 American Institute of Certified Public Accountants, Inc.  
New York, NY 10036-8775*

Permission is granted to make copies of this work provided that such copies are for personal, intraorganizational, or educational use only and are not sold or disseminated and provided further that each copy bears the following credit line: "© 2021 American Institute of Certified Public Accountants, Inc. Used with permission."

March 10, 2021

Ethics interpretations are promulgated by the executive committee of the Professional Ethics Division to provide guidelines about the scope and application of the rules but are not intended to limit such scope or application. Publication in the *Journal of Accountancy* constitutes notice to members.

The Professional Ethics Executive Committee adopted a revised "Records Requests" interpretation (ET sec. 1.400.200) under the "Acts Discreditable Rule" (ET sec. 1.400.001) at its February 9, 2021 meeting.

The interpretation will be effective on July 31, 2021.

## Text of the revised “Records Requests” interpretation [1.400.200]

The following revised interpretation was adopted by the Professional Ethics Executive Committee on February 9, 2021, and is effective on July 31, 2021.

(Additions appear in ***bold italic*** and deletions in ~~strike through~~. Defined terms appear in **bold roman**.)

### 1.400.200 Records Requests

#### *Terminology*

.01 The following terms are defined here solely for use with this interpretation:

- a. A client includes current and former *clients*.
- b. A member means the *member* or the *member’s firm*.
- c. Client-provided records are accounting or other records, including hardcopy and electronic reproductions of such records, belonging to the client that were provided to the member by, or on behalf of, the client.
- d. Member-prepared records are accounting or other records that the member was not specifically engaged to prepare and that are not in the client’s books and records or are otherwise not available to the client, thus rendering the client’s financial information incomplete. Examples include adjusting, closing, combining, or consolidating journal entries (including computations supporting such entries) and supporting schedules and documents that the member proposed or prepared as part of an engagement (for example, an audit).
- e.<sup>[OBJ]</sup> Member’s work products are the deliverables set forth in the terms of the engagement, such as tax returns.
- f. Working papers are all other items prepared solely for purposes of the engagement and include items prepared by the
  - i. member, such as audit programs, analytical review schedules, and statistical sampling results and analyses.
  - ii. client at the request of the member and reflecting testing or other work done by the member.
- g. ***Make records available means to provide the records in any format that is usable and accessible, whether electronic or otherwise, regardless of the format in which they were received.***
- h.<sup>[OBJ]</sup> ***Beneficiary is a person or entity for which the engaging entity has requested the member to perform professional services.***

## **Applicability**

.02 When a person or entity engages a member to perform *professional services* (engaging entity) with respect to ~~or for the benefit of another person or entity~~ a **beneficiary**, the member will be considered in compliance with the requirements of this interpretation related to client-provided records if the member ~~returns~~ **makes** these records **available** to the person or entity that ~~gave~~ **provided** the records to the member **or to the individual designated or held out as the entity's or individual's representative**.

~~.03 When an engaging entity engages a member to perform professional services for the benefit of another person or entity (beneficiary), the~~ **The** member will be considered in compliance with the requirements of this interpretation related to **member-prepared records and** a member's work products if the member ~~provides~~ **makes** such work products **records and work products available** to the beneficiary **or to the individual designated or held out as the beneficiary's representative**. For example, if a company engages a member to perform personal tax services for the benefit of its executives, the member would be in compliance with the interpretation if the member ~~provided~~ **made** the tax returns **available** to the executives (see the "[Confidential Client Information Rule](#)" [1.700.001]).

.04 When an engaging entity engages a member to perform *professional services* with respect to another entity that is not the beneficiary of the *professional services*, absent an agreement stating otherwise, the member would be in compliance with the requirements of this interpretation related to a member's work products if the ~~member provided~~ **made** such work products **available** to the engaging entity **or to the individual designated or held out as the engaging entity's representative**. For example, if a company engaged a member to value the assets of another company for a possible acquisition, absent an agreement stating otherwise the member would be in compliance with this interpretation if the member ~~provided~~ **made** the valuation report **available** only to the engaging entity.

## **Interpretation**

.05 Members must comply with the rules and regulations of authoritative regulatory bodies, such as the member's state board(s) of accountancy, when the member performs services for a client and is subject to the rules and regulations of such regulatory ~~body~~**ies**. For example, a member's state board(s) of accountancy may not permit a member to withhold certain records, even though fees are due to the member for the work performed. Failure to comply with the more restrictive provisions of the applicable regulatory body's rules and regulations concerning the return of certain records would constitute a violation of this interpretation.

~~.06 The member should return client-provided records in the member's custody or control to the client at the client's request.~~ **When an initial request for client-provided records is received, the member should make those records in the**

**member's custody or control available to the person or entity that provided the records to the member. The member may charge a reasonable fee for the time and expense incurred to retrieve, copy, and ship such records; however, the client-provided records may not be withheld for nonpayment of such fees.**

~~.07 Unless a~~ **A member and the client or beneficiary may agree to terms other than those stated in this paragraph. When this occurs, the member should respond in accordance with such agreement. Otherwise,** ~~have agreed to the contrary, when a client makes~~ **a member should respond to** a request for member-prepared records or a member's work products that are in the member's custody or control and that have not previously been **made available** ~~provided to the client;~~ **or, if applicable, to the beneficiary** ~~the member should respond to the client's request as follows:~~

- a. The member should ~~provide~~ **make available** member-prepared records relating to a completed and issued work product; ~~to the client, except that~~ **however,** such records may be withheld if fees are due to the member for that specific work product.
- b. Member's work products should be ~~provided~~ **made available;** ~~to the client, except that~~ **however,** such work products may be withheld **if**
  - i. if fees are due to the member for the specific work product;
  - ii. if the work product is incomplete;
  - iii. if for purposes of complying with professional standards (for example, withholding an audit report ~~due to~~ **with** outstanding audit issues); or
  - iv. if threatened or outstanding litigation exists concerning the engagement or **the** member's work.

~~.08 Once a member has complied with~~ **paragraphs .02 through .07** ~~these requirements, he or she~~ **the member** is under no ethical obligation to

- a. comply with any subsequent requests to again ~~provide~~ **make** records or copies of records **available** ~~described in paragraphs .03–.04.~~ However, if **after** ~~subsequent to~~ complying with a request a client experiences a loss of records due to a natural disaster or an act of war **is experienced**, the member should, **when practicable**, comply with an additional request to ~~provide~~ **make** such records **available**.
- b. retain records for periods that exceed applicable professional standards, state and federal statutes and regulations, and contractual agreements relating to the service performed. [Prior reference: paragraph .02 of ET section 501]

~~.09c. A member who has provided~~ **make the** records **available to any other associated party** ~~an individual designated or held out as the client's~~

~~representative~~, such as the general partner, majority shareholder, or spouse, is not obligated to provide such records to other individuals associated with the client. [Prior reference: paragraphs .377–.378 of ET section 591]

~~10.09~~ Working papers are the member's property, and the member is not required to ~~provide~~ **make** such information ~~available to the client~~. However, state and federal statutes and regulations and contractual agreements may impose additional requirements on the member.

~~11.10~~ In fulfilling a request for ~~client-provided records, member-prepared records, or a member's work products~~ **the member's copy of client-provided records that was previously made available to the client or a party identified in paragraph .02, member-prepared records, or a member's work products**, the member may

- a. charge ~~the client~~ a reasonable fee for the time and expense incurred to retrieve, and copy, **and ship** such records and require **payment** that the client pay the fee before the member ~~provides~~ **makes** the records **available** to the client.
- b. ~~provide~~ **make** the requested records **available** in any format usable **and accessible format** by the client. However, the member is not required to convert records that are not in electronic format to electronic format. If the client requests records **are requested** in a specific format and the records are available in such format within the member's custody and control, the client's request should be honored. In addition, the member is not required to provide the client with formulas **make formulas available**, unless the formulas support the client's underlying accounting or other records or the member was engaged to provide **make** such formulas **available** as part of a completed work product **or the formulas were used to create member-prepared records without which the client's financial information would be incomplete**.
- c. make and retain copies of any records that the member **already made available** returned or provided to the client.

~~12.11~~ **When a** member who is required to return or ~~provide~~ **make** records **available, the member** to the client should comply with the client's request as soon as practicable but, absent extenuating circumstances, no later than 45 days after the request is made.

~~13.12~~ The fact that the statutes of the state in which the member practices grant the member a lien on certain records in his or her custody or control does not relieve the member of his or her obligation to comply with this interpretation. [Prior reference: paragraph .02 of ET section 501]

**14.13** A member would be considered in violation of the “[Acts Discreditable Rule](#)” [1.400.001] if the member does not comply with the requirements of this interpretation.