

STATE OF FLORIDA  
DEPARTMENT OF REVENUE  
CHAPTER 12-25, FLORIDA ADMINISTRATIVE CODE  
CONTRACT AUDITING  
PART II CERTIFIED AUDIT PROGRAM  
REPEALING RULE 12-25.033

**12-25.033 Eligibility and Qualifications.**

(1)(a) Any employee or owner of a qualified audit firm, responsible for planning, directing, conducting, reviewing, or reporting on a participating taxpayer's tax compliance in a certified audit must be a qualified practitioner.

(b) Any practitioner employed by the qualified audit firm who performs audit analysis, makes auditing decisions on source documents, taxpayer data or sales transactions, or who performs agreed-upon procedures, except for the gathering of information for the planning work discussed in subparagraphs 12-25.047(1)(b)1., 2., 4., 5., 6. and 7., F.A.C., scheduling, or reconciling, must successfully complete a training course approved by the Department prior to their initial performance of the subject activities. The Department will approve the training, including instructional curriculum and materials, and testing, administered and delivered by the contract provider, if the provider meets all the conditions contained in pages 20 through 23 of the contract required to be established by both parties pursuant to section 213.285(1), F.S., and section 4 of chapter 98-95, Laws of Florida. This contract is adopted and incorporated by reference. However, the Department shall grant a waiver of this requirement for a specific certified audit in circumstances where a practitioner working on the subject audit can not complete his or her work due to a documented medical reason, a documented family emergency, or the practitioner has left the employment of the firm. The training course will, at a minimum, teach the basics of Florida Sales and Use tax law, and will include a required examination. The Department will be the final authority on the content of the training course and the nature, number, and type of questions on the examination. "Successfully complete" means the participant has met all the requirements for the course and achieved a scaled score of 70 percent. Further, any practitioner performing the subject activities shall be supervised by a qualified practitioner. The subject qualified practitioner will be physically on-site where the activities are performed.

(c) All qualified practitioners and practitioners who work on the certified audit must be currently employed by a qualified audit firm.

(d) Only qualified audit firms are permitted to issue reports.

(e) In addition, the qualified audit firm must have received a timely onsite peer review dated prior to the date of the Request to Participate and must have received an "Unqualified Opinion" on such onsite peer review. Compliance with these requirements is based on the most recent on-site peer review received prior to the Request to Participate. If the qualified audit firm at the date of the Request to Participate has not received an on-site peer review with an unqualified opinion, dated prior to the date of the Request to Participate, then the qualified audit firm is ineligible to participate in the certified audit program. The qualified audit firm can submit a new Request to Participate once the applicable requirements are met.

(2) To be eligible to provide a certified audit service to a taxpayer, the qualified audit firm must be independent with respect to that taxpayer, pursuant to the guidelines established by Florida Board of Accountancy Advisory Opinions issued on certified audit independence questions, which are adopted and incorporated by reference. The Department will determine if the circumstances and facts of the particular situation are materially the same as situations for which guidelines were previously issued. If the facts and circumstances are unique or if the qualified audit firm believes there are differences between their situation(s) and the situation(s) previously addressed by the Board that were the basis for the Department to deny participation, then the qualified audit firm can request an Advisory Opinion from the Board on the particular situation(s). The Department shall then decide based on the guidelines in the Board's response to that request and based on General Standard No. 2 (Independence), Generally Accepted Auditing Standards, which are adopted and incorporated by reference. If the qualified audit firm does not agree with the Department's decision, it can request a Declaratory Statement from the Board, which determination will be final.

*Rulemaking Authority 213.06(1), 213.285(7) FS. Law Implemented 213.285 FS. History—New 8-23-99, Repealed—XX-XX-XX.*