

CPA Licensing and Other Details

Introduction

Certified Public Accountant (CPA) conducted by the American Institute of Certified Public Accountant (AICPA), is a very prestigious qualification/degree to have under one's belt. CPA is the only license permitted to carry out accounting services for the public in the USA. However, just clearing the four sets of examinations would not allow one to practise accounting, sign audit reports, and tax returns in the USA. In order to be able to do such things, one needs to obtain a CPA license from a state accountancy board (*out of 55 states & territories*) in the USA.

It's quite normal to be confused and have some questions like:

- Do I need to obtain a certificate/NOC from all 55 states and territories?
- What is the difference between CPA Qualification and License?
- Are the foreign students permitted to obtain a CPA License?
- How much time and fee is required to obtain a CPA License?
- Is there any difference in the exam for US and Non-US students?

We at VGLD are here to help clear all your doubts. We will now tackle each of these queries one by one to facilitate informed decision-making about your career.

Difference between the CPA License and Qualification?

In simple terms, a CPA license is a permit to practise accounting, and offer auditing services on financial statements and other attestation services including signing tax returns in the USA. In order to hold a CPA license, one must have obtained the required CPE credits, be CPA qualified (*clear 4 exams*) and hold minimum working experience.

On the other hand, a CPA qualification is only a testimony of one's knowledge and skills in clearing the four papers, namely, *Auditing and Attestation; Business Environment and Concepts; Financial Accounting; and Reporting and Regulation*. This is more like a passing certificate upon successful appearance in the conducted examinations.

Eligibility for CPA Qualification

A CPA-qualified candidate needs to obtain 120 CPE credits. Generally, each year of college accords 30 credits.

As an example, the following combinations can help you easily determine your eligibility:

- B.Com + 1-year Diploma – 120 credits
- B.Com + CA Inter/ ICWAI Inter / CS Executive – 120 credits
- Any graduate like BBA/BA/BCA/B. Tech is also eligible to obtain a CPA qualification, similar to any B. Com candidate.

Eligibility for CPA License

A candidate must be able to satisfy the following requirements to hold a CPA License:

- Be CPA qualified, i.e. *clear 4 exams within the required time frame of 18 months*
- Obtain minimum education, i.e. 150 CPE credits
- Working experience i.e. *most states require at least 2 years of experience*
- Satisfy the member states and territory requirements, i.e. *citizenship, residency, social security etc.*

A candidate needs to obtain a license administered by **any one** of the 49 states and 6 territories (*a total of 55*) with each one having its own set of requirements under the following four categories:

- Citizenship
- Residency
- Social Security
- Participation in the International Programmes

Out of the 55 states and territories, only 6 of these require one to have an affirmative answer to the above-mentioned criteria. One can click on this [link](#) to obtain more information on your specific state.

Also, few states require a candidate to clear the Ethics examination post clearing the 4 mandatory papers.

Other FAQs

Q: Are international students eligible to obtain a CPA License?

A: Yes, international students are equally eligible to obtain a CPA license as US citizens.

Q: Is there any difference in exams for the US and Non-US students?

A: No, international students undergo the same process as U.S. citizens for a CPA license and qualification.

Q: What is the total cost to earn a CPA License?

A: The total cost to obtain a CPA license varies depending on the state chosen for licensing. For an Indian student, the total cost would be around Rs. 3,30,000 (incl. institute fee + CPA exam fees). The cost of licensing would be additional based on state-specific fees.

One can click [here](#) for more details on state-specific costs.