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Jul. 01, 2021



AICPA News is a round-up of recent announcements from the [American Institute of CPAs](#).

AICPA Expresses Support for Disaster Tax Filing Relief Bill

The AICPA has expressed strong support for the bipartisan [Filing Relief for Natural Disasters Act](#). Introduced by Representatives Judy Chu (D-CA) and John Katko (R-NY), the bill would extend the Internal Revenue Service's (IRS) authority to grant tax filing relief following state-declared disasters and states of emergency. The legislation also expands the mandatory federal filing extension from 60 days to 120 days, which provides taxpayers with additional time to file their taxes following a disaster.

Currently, the process for receiving tax filing relief from the IRS follows a presidential

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officers, chief financial officers, controllers and other certified public accountants in U.S. companies who hold executive and senior management accounting roles.

There are concerns, however. "Availability of skilled personnel" reemerged as the top-cited challenge for businesses as job recruitment turns up. And two-thirds of business executives now express concern about inflation, up from 44 percent last quarter,

Most of the outlook was overwhelmingly positive, however:

- Business executives' optimism about their own organization's prospects over the next 12 months rose to 76 percent from 58 percent last quarter
- Some 69 percent of executives say their companies plan to expand in the next 12 months, up from 58 percent last quarter
- Profits are expected to grow by four percent in the next 12 months, more than doubling last quarter's 1.9 percent forecast. And revenues are expected to climb five percent, up from three percent. Both projections are at their highest level since 2018.
- The hiring picture is also significantly improved, with 33 percent of executives saying their companies planned to fill positions immediately, up from 19 percent last quarter.

The AICPA survey is a forward-looking indicator that tracks hiring and business-related expectations for the next 12 months. In comparison, the U.S. Department of Labor's May employment report, scheduled for release tomorrow, looks back on the previous month's hiring trends.

AICPA's New Auditing Standard Provides Additional Guidance on the Use of Specialists and Pricing Information

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- management has used the work of a specialist in developing accounting estimates
- evaluating management's estimates related to the fair value of financial instruments
- using the work of an auditor's specialist.

You can find additional details on SAS No. 144 [here](#). The SAS becomes effective for audits of financial statements for periods ending on or after December 15, 2023.

AICPA Comments on SEC Request for Public Input on Climate Change Disclosures

The AICPA recently submitted comments to the SEC following a request for public input on climate change disclosures.

In the nine-page letter, Susan S. Coffey, CPA, CGMA, AICPA Chief Executive Officer – Public Accounting outlines why the AICPA supports the SEC's exploration of climate change and broader ESG disclosures.

Specific areas of comment include:

- **Disclosures** – The AICPA supports the SEC seeking input on climate-related disclosures to provide more consistent, and reliable information for investors and registrants.
- **Standards and Frameworks** – The AICPA supports the proposition that any climate-related disclosures be based on existing frameworks and standards and be aligned with the Task Force of Climate Related Financial Disclosures (TCFD) framework, Sustainability Accounting Standards Board (SASB) standards and ultimately be compatible with emerging international developments.
- **Assurance** – The AICPA supports the SEC's consideration of assurance over climate-related disclosures, and says CPAs are uniquely qualified to enhance the reliability of ESG disclosures through assurance services.

- **Internal controls over ESG-related disclosure** – The AICPA supports additional

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AICPA Recognizes Five Individuals with 2021 Outstanding Young CPA Award

The AICPA has recognized five practicing CPAs with the 2021 [AICPA Outstanding Young CPA Award](#) in Honor of Maximo Mukelabai. The announcement was made on the [Young CPA Network Facebook](#) page.

The annual award, now in its tenth year, recognizes CPAs under age 41 who personify a commitment to the profession, as demonstrated through successful practices and involvement in and contributions to the interest of the accounting profession.

Recipients of the 2021 Outstanding Young CPA Awards are,

Jaclyn T. Badeau, CPA, CGMA, MBA, president of Badeau Consulting in Richmond, KY. A 2013 graduate of the AICPA's Leadership Academy, Jaclyn has been incredibly active with the Kentucky Society of CPAs, serving in several volunteer and board positions.

Aaron Clayton, CPA, CGMA, partner with Eide Bailly LLP in Sioux Falls, SD. Aaron is a committed member of the South Dakota CPA Society, where he has served several volunteer and board positions, and he continually finds ways to help his community and the profession. Another AICPA Leadership Academy graduate, Aaron is actively involved with Junior Achievement of South Dakota.

Jessica E. McClain, CPA, controller with Brand USA in Washington DC. Jessica is an active volunteer with AICPA, serving on several committees and speaking at conferences, and the AICPA Leadership Academy graduate helps other young CPAs through the AICPA Mentoring Program.

Erin E. Roche, CPA, CGMA, team leader with Elliott CPA Group in Santa Rosa, CA. Erin volunteers on several AICPA and California Society of CPAs committees and was

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AICPA Supports Accounting STEM Pursuit Act, Which Creates Important Link Between Accounting and STEM

The [AICPA](#) recently voiced its strong support for the *Accounting STEM Pursuit Act of 2021* because it establishes the accounting profession as a STEM career pathway and supports long-standing efforts to create more diversity in the future accounting workforce.

The bipartisan *Accounting STEM Pursuit Act* was introduced earlier today by Representatives Haley Stevens (D-MI) and Victoria Spartz (R-IN). In a [letter of support](#) to Representatives Stevens and Spartz, the AICPA, [Center for Audit Quality](#), [Diverse Organization of Firms](#), [National Association of Black Accountants, Inc.](#) and [NAF](#) said, "As the profession continues to evolve to serve in the public interest, the overlap with technology has become more and more prevalent...Our organizations believe that STEM recognition for accounting, coupled with the potential for such educational funding, will help to diversify and build a highly skilled and qualified pipeline of professional accountants in the United States."

Accounting professionals' use of technology reflects their role as trusted advisors to businesses, non-profits and individuals. For many years they have been using and applying advanced technology such as artificial intelligence and technology-enabled techniques to perform highly sought-after services. As the profession continues to evolve its services in areas like cybersecurity, information integrity and systems controls and its use of emerging technologies and techniques, such as blockchain and data analytics, the integration of this knowledge with quantitative reasoning skills enhances accountants' ability to make informed decisions, solve complex problems and improve the delivery of services in the audit, finance and tax arenas.

Advanced PFP Track at AICPA & CIMA ENGAGE Returns as Hybrid Event to Provide

As America continues to recover from the economic impact of COVID-19, the need for

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Social Security and numerous other planning challenges. At the same time, recent legislation, such as The SECURE Act, The CARES Act, The American Rescue Plan have brought about a wealth of new planning opportunities. Financial planners, estate planners, and other financial professionals looking to develop the essential skills to best guide their clients and firm into the future will benefit from detailed technical sessions and panel discussions. The [conference agenda](#) has been curated to feature the most up-to-date practical information and in-depth knowledge in the areas of tax, retirement, estate, risk management, investments and more.

2 in 5 Americans Say Online Shopping Has Busted their Budget: AICPA

Two in 5 Americans (41 percent) say the ability to shop online has made it harder for them to stick to a monthly budget. And with more than half of Americans saying they have increased their overall online shopping (56 percent) since the start of the pandemic and online retailers regularly hosting annual savings bonanzas— budgets beware. This all according to research conducted by The Harris Poll on behalf of the AICPA late in the fourth quarter of 2020.

The survey found that half of Americans (52 percent) say buying things when they want, without thinking too much about how much they cost, makes them feel good. And concerningly, 2 in 5 Americans (39 percent) say they often don't realize the total amount they have spent on their credit or debit card until they see their monthly statement. **Tips to Help Americans Keep Their Online Shopping from Busting Their Budget**

1. Shop with a plan

“Merchants have powerful strategies to encourage you to spend. So, level the playing field by entering the retail arena with a plan of your own for what you need and can afford.” Neal Stern, CPA, member of the AICPA Financial Literacy Commission

2. Take Time to Run the Numbers

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In order to avoid making impulse purchases, it's prudent to take a step back and assess whether it's an actual 'need' or more of a 'want.' Try putting an unplanned purchase in your 'cart' online or implementing a 'cooling off' period where you allow a certain amount of time to elapse before clicking 'buy.'" – Michael Landsberg, CPA/PFS, member of the AICPA Financial Literacy Commission

4. Don't shop out of boredom

"If you find yourself browsing through your favorite online shopping sites just to pass time or for entertainment, you are likely to spend money on superfluous things that you may not be able to afford." -Kim Hardy, CPA, member of the AICPA Financial Literacy Commission

5. Utilize technology wisely "Technology can be a powerful saving tool when used to help you find the best deals. However, be aware that your personal electronics also make you a constant target for email marketing and targeted ads." -Tami Bolder, CPA, member of the AICPA Financial Literacy Commission.

New Study Reveals Lack of Standardization in Sustainability Assurance

Global practices for sustainability reporting and assurance over that information—including the prevalence of assurance, level of assurance, and standard and practitioner used—varies widely by jurisdiction, [according to a new study](#) from the International Federation of Accountants (IFAC) and the AICPA & CIMA (representing the Association of International Certified Professional Accountants).

As the drive toward a global system for sustainability-related reporting continues, investors, regulators and policymakers are turning their attention to the important role of assurance in promoting high-quality reporting. With the growing importance of—and reliance on—sustainability information, low-quality assurance is an emerging investor protection and financial stability risk.

The full study is available on the [AICPA website](#).

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- Gives Treasury authority to regulate paid tax return preparers.
- Clarifies that the authority being provided is to reinstitute the IRS's 2011 paid preparer regulatory program.
- Gives the IRS authority to revoke an incompetent or fraudulent preparer's Preparer Tax Identification Number (PTIN).
- Clarifies that certain non-signing preparers – those persons who prepare returns under the supervision of an attorney, CPA or enrolled agent– are not required to obtain a PTIN.
- Requires a GAO study on the sharing of information between the Treasury Department and State authorities regarding PTINs issued to paid return preparers and preparer minimum standards.

The AICPA has been a long-time advocate of the appropriate regulation of paid tax return preparers and is grateful to Representatives Panetta and Rice for their leadership.

The AICPA will continue to pursue another key consumer-protection measure designed to look out for taxpayers' best interest by ensuring truth in advertising. That measure requires unlicensed PTIN holders who represent themselves as a registered tax return preparer in any paid print, television, radio or other advertising display or broadcast a statement directing taxpayers to the IRS website where the differences between the various types of preparers are explained.

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