

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Virginia Board of Accountancy
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	18VAC5-22
<b>VAC Chapter title(s)</b>	Board of Accountancy Regulations
<b>Action title</b>	Amendments to Firm Requirements and Principal Place of Business
<b>Date this document prepared</b>	December 3, 2025
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Proposed stage

**Cost Benefit Analysis**

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

**Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><b>Direct Costs:</b> No direct monetary costs.</p> <p><b>Indirect Costs:</b> No indirect monetary costs.</p> <p><b>Direct Benefits:</b> The \$20 re-exam fee will be removed. There are approximately 4,415 re-exam applications per year:</p> <ul style="list-style-type: none"> <li>• 4,415 re-exams x \$20 re-exam fee removed = \$88,300 annual savings for CPA candidates</li> </ul> <p><b>Indirect Benefits:</b> No indirect monetary benefits.</p>	
(2) Present Monetized Values	<b>Direct &amp; Indirect Costs</b>	<b>Direct &amp; Indirect Benefits</b>
	(a) N/A	(b) \$88,300
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	The proposed change also includes removing the time restrictions for re-taking the CPA examination. This will alleviate the time burdens for most CPA candidates.	
(5) Information Sources	N/A	

**Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><b>Direct Costs:</b> The re-exam fee will remain, costing CPA candidates approximately \$88,300 per year:</p> <ul style="list-style-type: none"> <li>• 4,415 re-exams per year x \$20 re-exam fee removed = \$88,300 annual savings for CPA candidates</li> </ul> <p><b>Indirect Costs:</b> No indirect monetary costs.</p> <p><b>Direct Benefits:</b> No direct monetary benefits.</p>	
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	<b>Indirect Benefits:</b> No indirect monetary benefits.	
(2) Present Monetized Values	<b>Direct &amp; Indirect Costs</b>	<b>Direct &amp; Indirect Benefits</b>
	(a) \$88,300	(b) N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	<b>Cost:</b> Lack of understanding on how to determine one’s principal place of business based on “reasonable judgement.” Time restrictions for CPA candidates to re-take the CPA exam will remain a burden.	
(5) Information Sources	N/A	

**Table 1c: Costs and Benefits under Alternative Approach(es)**

(1) Direct & Indirect Costs & Benefits (Monetized)	No costs/benefits under alternative approaches, as the proposed changes are meant to either reduce burdens or enhance public protection and clarity.	
(2) Present Monetized Values	<b>Direct &amp; Indirect Costs</b>	<b>Direct &amp; Indirect Benefits</b>
	(a) N/A	(b) N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	N/A	

**Impact on Local Partners**

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 2: Impact on Local Partners**

(1) Direct & Indirect Costs & Benefits (Monetized)	No direct/indirect monetary costs/benefits. The regulatory changes are expected to only affect the regulated community, not local partners.	
(2) Present Monetized Values	<b>Direct &amp; Indirect Costs</b>	<b>Direct &amp; Indirect Benefits</b>
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Assistance	N/A	
(5) Information Sources	N/A	

**Impacts on Families**

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 3: Impact on Families**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><b>Direct Costs:</b> No direct monetary costs.</p> <p><b>Indirect Costs:</b> No indirect monetary costs.</p> <p><b>Direct Benefits:</b> <i>(Same as Table 1a)</i> The \$20 re-exam fee will be removed. There are approximately 4,415 re-exam applications per year:</p> <ul style="list-style-type: none"> <li>4,415 re-exams x \$20 re-exam fee removed = \$88,300 annual savings for families within the regulated community</li> </ul> <p><b>Indirect Benefits:</b> No indirect monetary benefits.</p>	
(2) Present Monetized Values	<b>Direct &amp; Indirect Costs</b>	<b>Direct &amp; Indirect Benefits</b>

	(a) N/A	(b) \$88,300
(3) Other Costs & Benefits (Non-Monetized)	<i>Same as Table 1a:</i> The proposed change also includes removing the time restrictions for re-taking the CPA examination. This will alleviate the time burdens for most CPA candidates.	
(4) Information Sources	N/A	

**Impacts on Small Businesses**

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 4: Impact on Small Businesses**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><b>Direct Costs:</b> No direct monetary costs.</p> <p><b>Indirect Costs:</b> No indirect monetary costs.</p> <p><b>Direct Benefits:</b> No direct monetary benefits.</p> <p><b>Indirect Benefits:</b> No indirect monetary benefits.</p>	
(2) Present Monetized Values	<b>Direct &amp; Indirect Costs</b>	<b>Direct &amp; Indirect Benefits</b>
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Alternatives	N/A	
(5) Information Sources	N/A	

**Changes to Number of Regulatory Requirements**

**Table 5: Regulatory Reduction**

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

*Change in Regulatory Requirements*

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
18VAC5-22-20	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	11	0	0	0
	(D/R):	8	0	1	-1
18VAC5-22-30	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
18VAC5-22-50	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
18VAC5-22-80	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	1	0	0	0
	(D/R):	4	0	1	-1
18VAC5-22-130	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	1	0	+1
	(D/R):	1	0	0	0
18VAC5-22-150	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	1	0	1	+1
	(D/R):	0	0	0	0
18VAC5-22-170	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	3	0	0	0
18VAC5-22-180	(M/A):	0	0	0	0
	(D/A):	1	0	0	0
	(M/R):	0	0	0	0
	(D/R):	1	0	0	0
<b>Grand Total of Changes in Requirements:</b>					(M/A): 0 (D/A): 0 (M/R): +2

	<b>(D/R): -2</b>
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**Key:**

*Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:*

**(M/A):** Mandatory requirements mandated by federal and/or state statute affecting the agency itself

**(D/A):** Discretionary requirements affecting agency itself

**(M/R):** Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

**(D/R):** Discretionary requirements affecting external parties, including other agencies

*Cost Reductions or Increases (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Requirement</b>	<b>Initial Cost</b>	<b>New Cost</b>	<b>Overall Cost Savings/Increases</b>
18VAC5-22-20	Fee schedule. Regulatory change will remove the re-exam fee.	\$88,300	\$0	\$88,300 annual savings

*Other Decreases or Increases in Regulatory Stringency (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Change</b>	<b>Overview of How It Reduces or Increases Regulatory Burden</b>
18VAC5-22-80	Removal of time restrictions for re-taking the CPA examination	This will alleviate the time burdens for CPA candidates (the agency receives thousands of re-exam applications per year, including several per person).

*Length of Guidance Documents (only applicable if guidance document is being revised)*

<b>Title of Guidance Document</b>	<b>Original Word Count</b>	<b>New Word Count</b>	<b>Net Change in Word Count</b>
N/A	N/A	N/A	N/A

\*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).