



CPA FIRM INFORMATION PAPER

2025 ILLINOIS PUBLIC ACCOUNTING ACT LEGISLATION

ILLINOIS CPA SOCIETY®

September 10, 2025

Version 2

On August 15th, 2025, Illinois Governor JB Pritzker signed into law House Bill 2459 (Public Act 104-0228). This legislation amended the Illinois Public Accounting Act to provide enhanced mobility for out-of-state practice privileges (effective January 1, 2026) and two additional pathways to CPA licensure (effective January 1, 2027).

ENHANCED MOBILITY

(225 ILCS 450/5.2)

Effective January 1, 2026

Section 5.2(1) of the Act is amended by changing the standard of the mobility practice privilege from the current state-based “substantial equivalency” to an individual focused “automatic mobility” structure provided that the out-of-state license requirements of the issuing state are equivalent to Illinois’ requirements as provided in Section 14 of the Act.

Section 5.2(2) addresses instances where the out-of-state license is not equivalent to the criteria outlined in Section 14. This section is amended by changing the “substantial equivalency” analysis by the National Qualifications Appraisal Service (NQAS) to the option of formally petitioning the Public Accounting

Registration and Licensure Committee through the Illinois Department of Financial and Professional Regulation (CPA licensing board) for an equivalency determination based on education, exam and experience.

Discussion-This legislation recognizes equivalency is based on education, exam and experience. With states adding additional pathways to licensure based on the 3 E’s, Illinois will provide for enhanced mobility where the out-of-state CPA’s license is equivalent to Illinois’ license requirements outlined in section 14 of the Act. The intent here is to move away from the legacy “substantial equivalency” analysis tied to the Uniform Accountancy Act using the third party NQAS analysis for determination. It is recognized that the various states who have adopted enhanced or automatic mobility enactment dates may not perfectly align. It is the Illinois CPA Society’s position that there is adequate runway for enactment of enhanced mobility across the states to not

jeopardize Illinois CPAs' mobility privileges in other states.¹

Downstream Impact-CPA firms will need to monitor state-by-state mobility changes to ensure their CPAs qualify for mobility under amended statutes or legacy substantial equivalency analysis. ICPAS will continue to provide resources and information as on enhanced mobility as it evolves globally. Other organizations such as the AICPA and state societies will also provide information and resources in this area.

ADDITIONAL CPA LICENSURE PATHWAYS

(225 ILCS 450/14)

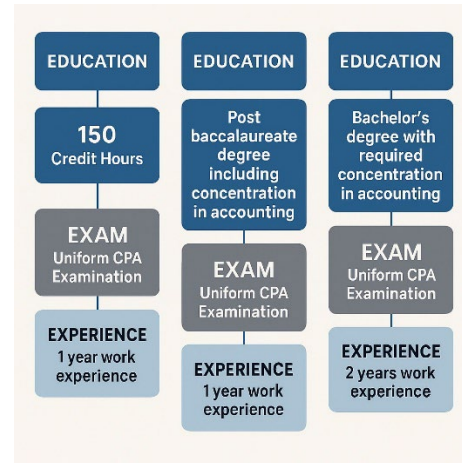
Effective January 1, 2026

The adopted legislation adds two additional pathways to CPA licensure. The existing licensure pathway of 150 hours, passage of the Uniform CPA Examination and one year of experience remains in place. The additional pathways for CPA licensure are:

Bachelor's Pathway-Section 14(c)- individuals with a bachelor's degree in accounting, an exam certificate or certification from the Illinois Board of Examiners (CPA testing board) and who have 2 years of experience.

New Master's Pathway-Section 14(d)- individuals who have received a master's

degree with a bachelor's and 30 hours of accounting, an exam certificate or certification from the Illinois Board of Examiners and 1 year of experience.



Discussion-The existing pathway of 150 hours to CPA licensure remains in place. Two additional pathways are provided in the adopted legislation. It is ICPAS' position that as of January 1, 2027, anyone who meets the requirements of the bachelor's pathway can apply for licensure. This position is based not on retroactivity, but on the plain meaning of the statute and principles of statutory interpretation.

Downstream Impact-The Illinois CPA Society is working with the Illinois Board of Examiners and the Illinois Department of Financial and Professional Regulation (IDFPR) on updating Administrative Rules. It is uncertain at this time how IDFPR will distinguish between the two new licensure pathways in the licensure process.

¹ While enhanced mobility is effective January 1, 2026, the additional pathways provisions are effective January 1, 2027. Even after 2027, Illinois

licensed CPAs will have been licensed under the substantial equivalency standard with 150 hours.

CONCLUSION-The CPA profession has embarked upon monumental changes to licensing structures and the well-established mobility practice privilege. As with any massive changes to established procedures and protocols, there will be gaps to address. The purpose of this CPA firm information paper is to provide firm license contacts with relevant information on the changes to the Illinois Public Accounting Act and our ongoing work with the Illinois Board of Examiners, the Illinois Department of Financial and Professional Regulation, the American Institute of CPAs, the National Association of State Boards of Accountancy and other state societies in implementing licensure and mobility framework changes.

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