

April 9, 2024

PCAOB
Office of the Secretary
1666 K Street, NW
Washington, DC 20006-2803

Email: comments@pcaobus.org

RE: PCAOB Rulemaking Docket Matter No. 054

We appreciate the opportunity to provide feedback on the proposed new PCAOB Rule 2400, *False or Misleading Statements Concerning PCAOB Registration and Oversight*, dated February 27, 2024, (Rule 2400) which would prohibit a registered public accounting firm and its associated persons from making false or misleading statements concerning the firm's PCAOB registration status.

The views expressed herein are written on behalf of the Professional Standards Committee (PSC) of the Texas Society of CPAs. The committee has been authorized by the Texas Society of CPAs' Leadership Council to submit comments on matters of interest to the membership. The views expressed in this document have not been approved by the Texas Society of CPAs' Leadership Council or Board of Directors and, therefore, should not be construed as representing the views or policy of the Texas Society of CPAs.

The PSC is supportive overall of proposed Rule 2400 and proposed changes to current Rule 2107. The PSC believes the proposed rules generally will accomplish the objectives of prohibiting firms from making false or misleading statements regarding their registration status and providing a mechanism for the PCAOB to remove firms that are delinquent in filing their annual reports with the PCAOB and paying their annual fees. In addition, the PSC believes the expected costs related to the implementation of this proposal will be minimal, resulting in a net positive economic impact.

The PSC would like to provide the following specific comments on the proposal:

- The Board should clarify on page 3 of Rule 2400 that Part 2(ii) applies to a firm that is actually registered with the PCAOB, but not currently subject to PCAOB oversight.
- The PSC believes that the amendment to PCAOB Form 3, Special Reporting Form, is redundant and therefore may be unnecessary, as firms are already required to complete Form AP.
- Regarding Question 14, the PSC agrees that a conforming change should be made to AS 3101 or AS 3105 to cross-reference the disclosure obligation of proposed Rule 2400(b)(4). In addition, the PSC recommends that the Board include examples of auditor's reports for clients other than Issuers or broker-dealers as discussed in part iv. of Rule 2400 when the firm elects to state in its report that it is registered with the PCAOB or is subject to PCAOB oversight.

We appreciate the opportunity to submit comments on the proposed new PCAOB Rule 2400, *False or Misleading Statements Concerning PCAOB Registration and Oversight*, dated February 27, 2024.

Sincerely,



Jeffrey Johanns, CPA
Chair, Professional Standards Committee
Texas Society of Certified Public Accountants

