

**BEFORE THE MARYLAND STATE BOARD OF PUBLIC ACCOUNTANCY**

Uche Kamalu,

\*

Petitioner

\*

v.

\*

Case no. CPA-LD-19-0001

\*

\*

MARYLAND STATE BOARD OF  
PUBLIC ACCOUNTANCY

\*

\*

\*

\*

\* \* \* \* \*

**FINAL ORDER**

**I. Procedural Background.**

The above-captioned matter was heard before the Maryland State Board of Public Accountancy ("the Board") on December 4, 2018. On February 23, 2018, Petitioner Uche Kamalu applied to the Board to reinstate his expired Maryland CPA License. In his application, Mr. Kamalu responded "YES" to the following question: "Have you ever been convicted of a felony or misdemeanor in any State, District of Columbia or Federal court?" Mr. Kamalu submitted to the Board court documents indicating that in May of 2006, Mr. Kamalu was convicted in the United States District Court for the District of Maryland of violating 26 U.S.C. §7212(a) (Impeding the Due Administration of the Internal Revenue Code) and 26 U.S.C. §7206(2) (Aiding and Abetting the Filing of False Income Tax Returns.) Mr. Kamalu was sentenced to serve 27 months followed by one year of supervised probation, was ordered to pay a special assessment of \$1,100.00 and a fine of \$10,000. Mr. Kamalu also acknowledged in his application that, after a hearing, the Board had previously denied his 2009 application for reinstatement by order dated December 7, 2010.

By letter dated June 20, 2018, the Board, after review of this information and pursuant to Md. Busin. Occup. and Prof. Code Ann. ("BOP"), § 2-315, denied Mr. Kamalu's application to reinstate his CPA license.

After receiving Mr. Kamalu's request for a hearing on the denial, by letter dated November 16, 2018, the Board informed Mr. Kamalu that a hearing would be held on his Application for Reinstatement, in accordance with BOP, §2-317 *et seq.*, the Maryland Administrative Procedure Act (Md. State Gov. Code Ann., §10-201 *et seq.*), and the Department of Labor, Licensing and Regulation's hearing rules set forth at COMAR .09.01.02. (Board Exhibit 1.) At the December 4, 2018, hearing, Mr. Kamalu was represented by Pamela Ashby, Esq. Kris King, Assistant Attorney General, presented evidence on behalf of the Board.

## **II. Findings of Fact.**

The Board includes in its factual findings the facts set forth in the procedural background of the matter. In addition, after examining all of the evidence, including both the testimony of witnesses and the documentary evidence submitted at the hearing, and having assessed the demeanor and credibility of those offering testimony, the Board makes the following additional findings of fact:

1) The Board hereby incorporates by reference the facts set forth in the criminal indictment dated May 4, 2005, filed in *U.S. v. Uche Kamalu*, United States District Court for the District of Maryland, Case No. AW05CR0210.

2) Mr. Kamalu satisfactorily completed his period of supervised probation and

has paid the \$10,000.00 fine and \$1,100.00 assessment associated with the above-referenced criminal conviction.

4) Mr. Kamalu is currently employed as a Parking Enforcement Officer for Prince George's County. Mr. Kamalu has been employed in this capacity for nine years.

5) Mr. Kamalu currently provides individual tax preparation services for valuable consideration to a number of friends and family members.

6) In 2013, Mr. Kamalu completed 80 hours of interactive self-study continuing education courses in a variety of subjects. From March 17, 2017, to January 13, 2018, Mr. Kamalu completed 81 hours of interactive self-study continuing education courses in a variety of subjects.

7) Mr. Kamalu is married with four children and resides in Hyattsville, Maryland.

### **III. Evaluation of the Evidence.**

Mr. Kamalu once again asks the Board to reinstate his license in spite of his two felony convictions relating to his provision of individual income tax preparation services. Before taking such action, the Board is again compelled to review the particular circumstances of Mr. Kamalu's case.

As the Board noted previously, Mr. Kamalu's criminal activity adversely impacts his fitness to practice public accountancy. The Board has repeatedly held that honesty is essential to the practice of certified public accountancy. The public relies on the veracity of the independent certified public accountants whose services they engage. Moreover, the fiduciary nature of the accountant-client relationship requires scrupulous attention to

professional standards on the part of the accountant. Finally, Mr. Kamalu's felony convictions are directly linked with the practice of public accountancy--Mr. Kamalu's actions led to the filing of false and fraudulent income tax returns for a number of taxpayers.

Mr. Kamalu's convictions are now over 12 years old, which the Board believes does weigh in Mr. Kamalu's favor.

With respect to his conduct subsequent to the convictions, Mr. Kamalu has completed his sentence and has paid all fines and assessments associated with the conviction in full. The Board has considered the written statements presented in support of Mr. Kamalu's present character and has given them the weight it deems appropriate. The Board is concerned by Mr. Kamalu's statements at the hearing, and the written reference from Josh Arinze, that he is currently providing individual tax preparation services to individuals in Maryland. Under the Maryland Individual Tax Preparer Act, BOP § 21-101 *et seq.*, an individual who is not an actively licensed CPA, enrolled agent, or licensed attorney may not provide, offer to provide, or attempt to provide individual tax preparation services in Maryland for valuable consideration unless registered with the Maryland Board of Individual Tax Preparers. The Board takes judicial notice of the fact that Mr. Kamalu is not currently so registered. Additionally, Mr. Kamalu did not present any evidence to the Board that he is either an enrolled agent or a licensed attorney.

As always, the Board is also mindful of its obligation to protect the public and the integrity of the profession. Mr. Kamalu's convictions were serious and directly connected to the practice of public accountancy. Although it is a close question, on balance, the Board

does not believe that issuing Mr. Kamalu a license would be in the best interest of Maryland citizens.

**CONCLUSIONS OF LAW**

Based on the Findings of Fact, and using the specialized knowledge, training, and experience of its members, the Maryland State Board of Public Accountancy hereby concludes as a matter of law:

That Petitioner Uche Kamalu violated Business Occupations and Professions Article, Ann. Code of Maryland, Sections 2-315(a)(1)(iii)(1).

**ORDER**

In consideration of the Maryland State Board of Public Accountancy's Findings of Fact and Conclusions of Law in this matter, it is this \_\_\_\_\_ day of January, 2018,

**ORDERED:**

- 1) That Uche Kamalu’s Application for Reinstatement be and hereby is **DENIED**;  
and
- 2) That the records, files, and documents of the Maryland Board of Public Accountancy reflect this decision.

**MARYLAND STATE BOARD OF  
PUBLIC ACCOUNTANCY**

By: \_\_\_\_\_  
Arthur E. Flach, CPA  
Chair

does not believe that issuing Mr. Kamalu a license would be in the best interest of Maryland citizens.

**CONCLUSIONS OF LAW**

Based on the Findings of Fact, and using the specialized knowledge, training, and experience of its members, the Maryland State Board of Public Accountancy hereby concludes as a matter of law:

That Petitioner Uche Kamalu violated Business Occupations and Professions Article, Ann. Code of Maryland, Sections 2-315(a)(1)(iii)(1).

**ORDER**

In consideration of the Maryland State Board of Public Accountancy's Findings of Fact and Conclusions of Law in this matter, it is this 8<sup>th</sup> day of January, 2019,

**ORDERED:**

- 1) That Uche Kamalu's Application for Reinstatement be and hereby is **DENIED**;  
and
- 2) That the records, files, and documents of the Maryland Board of Public Accountancy reflect this decision.

**MARYLAND STATE BOARD OF  
PUBLIC ACCOUNTANCY**

**SIGNATURE ON**

By:      **ORIGINAL DOCUMENT**  
Arthur E. Flach, CPA  
Chair