

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): May 26, 2005

SECURITY NATIONAL FINANCIAL CORPORATION
(Exact name of registrant as specified in this Charter)

Utah

0-9341

87-0345941

(State or other jurisdiction of (Commission File Number) (IRS Employer
incorporation) Identification No.)

5300 South 360 West, Salt Lake City, Utah

84123

(Address of principal executive offices)

(Zip Code)

Registrant's Telephone Number, Including Area Code: (801) 264-1060

Does Not Apply
(Former name or former address, if changed since last report)

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ITEM 8.01 Other Events

On May 26, 2005, Security National Financial Corporation (the "Company") received a letter from The Nasdaq Stock Market staff notifying the Company that its Form 10-Q for the period ended March 31, 2005, which was filed with the Securities and Exchange Commission on May 16, 2005, had not been reviewed by an independent public accountant as required by Rule 10-01(d) of Regulation S-X. As a consequence, according to the Nasdaq letter, the Company's Form 10-Q filing for the period ending March 31, 2005 is incomplete and, as a result, the Company is not in compliance with Marketplace Rule 4310(c)(14) of The Nasdaq Stock Market. Thus, according to the letter, the Company's securities will be delisted from The Nasdaq Stock Market at the opening of business on June 6, 2005, unless the Company appeals the staff's determination to a Nasdaq Listing Qualifications Panel.

On May 20, 2005, the Company engaged the registered public independent accounting firm of Hansen, Barnett & Maxwell, P.C. to audit and report on the Company's financial statements for the fiscal year ended December 31, 2005. The Company appointed Hansen, Barnett & Maxwell to replace Tanner LC, the Company's former independent accounting firm. The termination of the Company's relationship with Tanner was due to the five-year partner rotation requirement

mandated by the Sarbanes-Oxley Act and the determination by Tanner that in the future it would be unable to maintain the necessary industry expertise to continue as an independent accounting firm for the Company.

The accounting firm of Hansen Barnett & Maxwell is in the process of reviewing the Company's Form 10-Q for the period ended March 31, 2005. When the review is completed, the Company will file an amended Form 10-Q that will disclose that the Form 10-Q has been reviewed by Hansen, Barnett & Maxwell. The Company anticipates that the review of the Form 10-Q will be completed by Hansen, Barnett & Maxwell, P.C. by the end of business on June 6, 2005. The Company will thereupon file an amended Form 10-Q with the Securities and Exchange Commission as soon as the review has been completed.

The Company intends to file an appeal of the staff's determination of the Company's non-compliance with Marketplace Rule 310(c)(14). In this regard, the hearing request will stay the delisting of the Company's securities pending a decision of a delisting qualifications panel. The Company anticipates that its appeal of the staff's decision to delist its securities will be successful if the review of the Form 10-Q by Hansen, Barnett & Maxwell and the filing of an amended Form 10-Q is completed prior to the hearing before the Nasdaq Listing Qualifications Panel. If the Company is not successful in its appeal of the staff's decision to delist its securities, the securities will be delisted.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SECURITY NATIONAL FINANCIAL CORPORATION
(Registrant)

Date: June 1, 2005

By: /s/ Scott M. Quist

Scott M. Quist
President and Chief Operating Officer

[Tanner LC Letterhead]

April 16, 2005

Mr. Scott M. Quist
President and Chief Operating Officer
Security National Financial Corporation
5300 South 360 West, Suite 250
Salt Lake City, UT 84123

Dear Mr. Quist:

This is to confirm that the client-auditor relationship between Security National Financial Corporation (Commission File Number 0-9341) and Tanner LC, independent registered public accounting firm, has ceased.

Sincerely,

/s/ Tanner LC

cc: Office of the Chief Accountant
PCAOB Letter File
Securities and Exchange Commission
Mail Stop 9-5
450 Fifth Street, NW
Washington, DC 20549

[Tanner LC Letterhead]

June 6, 2005

Securities and Exchange Commission
Washington, D.C. 20549

Ladies and Gentlemen:

We have read the statements included under Item 4.01 in the Form 8-K/A dated June 6, 2005, of Security National Financial Corporation to be filed with the Securities and Exchange Commission and are in agreement with the statements therein insofar as they relate to our firm.

Very truly yours,

/s/ Tanner LC

MACKAY PRICE THOMPSON & OSTLER
A Professional Corporation
Attorneys and Counselors at Law

American Plaza II
57 West 200 South, Suite 350
Salt Lake City, UT 84101-3663
Telephone 801-575-5000
Fax 801-575-5006

Randall A. Mackey
rmackey@mpwlaw.com

June 7, 2005

VIA FEDERAL EXPRESS

Securities and Exchange Commission
Division of Corporation Finance
450 Fifth Street, N.W., Mail Stop 0408
Judiciary Plaza
Washington, D.C. 20549

Attn: Benjamin Phippen
Staff Accountant

Re: Security National Financial Corporation - Amendment No.1
to Form 8-K, as filed on May 3, 2005, File No. 000-09341

Ladies and Gentlemen:

In connection with the above-captioned Form 8-K (the "Form 8-K"), we enclose the following with the Securities and Exchange Commission (the "Commission") for review on behalf of Security National Financial Corporation (the "Company"):

- A. Two conformed copies of Amendment No. 1 (the "Amendment") to the Form 8-K, including exhibits; and
- B. Two additional conformed copies of Amendment No. 1 to the Form 8-K, which have been marked to indicate changes from the Form 8-K filed with the Commission on May 3, 2005.

It should be noted that the Company electronically filed the Amendment to the Form 8-K via the Edgar system on June 7, 2005.

We are also enclosing a copy of the comment letter dated May 31, 2005, which we received from the staff of the Commission. The following responses to the comments are tied to the numbered paragraphs on the enclosed comment letter.

Securities and Exchange Commission
June 7, 2005
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1. The Form 8-K has been revised to state that Tanner LC ("Tanner") resigned as the independent accountants of the Company due to the five-year partner rotation requirement mandated by the Sarbanes-Oxley Act and the determination by Tanner that in the future it would be unable to maintain the necessary industry expertise to continue as the Company's independent accountants.

2. Because Tanner resigned as the Company's independent accountants, the Company's audit committee had no choice but to accept such resignation by Tanner. However, the Company's audit committee approved the engagement of Hansen, Barnett & Maxwell, P.C. ("Hansen") as the new independent accountants to

replace Tanner.

3. The Company reported engagement of Hansen in a Form 8-K that was filed with the Securities and Exchange Commission on May 25, 2005. The disclosures in the May 25, 2005 Form 8-K about consultations with Hansen were made through the date of engagement.

4. In response to this comment, a letter from Tanner, the Company's former independent accountants, addressing the revised disclosures have been included as Exhibit 16 to an amended Form 8-K. The amended Form 8-K, or Form 8-K/A, includes the Item 4 designation.

The Company has prepared Amendment No. 1 to the Form 8-K in an effort to respond to the comments from the staff. Any additional comments or questions should be directed to Randall A. Mackey, Esq, at (801) 575-5000, counsel for the Company.

Very truly yours,

/s/ Randall A. Mackey

Randall A. Mackey

Enclosures

cc: Scott M. Quist (w/encls.)
G. Robert Quist (w/encls.)
Stephen M. Sill (w/encls.)
Virgil R. Pugsley (w/encls.)
Douglas J. Hansen