

NORTH CAROLINA GENERAL ASSEMBLY
1977 SESSION

CHAPTER 855
SENATE BILL 467

AN ACT AMENDING CHAPTER 55B, THE PROFESSIONAL CORPORATION ACT, SO AS TO ALLOW LIMITED OWNERSHIP INTEREST IN SUCH CORPORATION BY NONPROFESSIONALS OF ENGINEERING, ARCHITECTURE AND LANDSCAPE ARCHITECTURE FIRMS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 55B of the General Statutes, as the same appears in Volume 2B of the 1975 Replacement to the General Statutes, is hereby amended as follows:

1. By rewriting subparagraph (5) of G.S. 55B-2 to read as follows:

"(5) 'Professional Corporation' means a corporation which is engaged in rendering the professional services as herein specified and defined, pursuant to a certificate of registration issued by the licensing board regulating the profession or practice, and which has as its shareholders only those individuals permitted by G.S. 55B-6 of this act to be shareholders and which designates itself as may be required by this statute, and which is organized under the provisions of this Chapter and of Chapter 55, the Business Corporation Act."

2. By adding immediately after the period in subsection (2) of G.S. 55B-4, the following sentence:

"provided, that as to professional corporations rendering services as defined in Chapters 83, 89A and 89C, limited ownership of shares by non-licensees shall be permitted as set forth in G.S. 55B-6."

3. By rewriting subsection (4) of G.S. 55B-4 to read as follows:

"(4) The articles of incorporation, in addition to the requirements of Chapter 55, shall designate the personal services to be rendered by the professional corporation and shall be accompanied by a certification by the appropriate licensing board that the ownership of the shares of stock is in compliance with the requirements of G.S. 55B-4(2) and G.S. 55B-6."

4. By adding immediately after the period on line 7 and immediately before the word "Any" in G.S. 55B-6, the following language and punctuation:

"Provided, it shall be lawful in the case of professional corporations rendering services as defined in Chapters 83, 89A and 89C, for non-licensed employees of such corporation to own not more than one-third of the total issued and outstanding shares of such corporation. Upon the transfer of any shares of such corporation to a non-licensed employee of such corporation, the corporation shall inform the appropriate licensing board of the name and address of the transferee and the number of shares issued to such nonprofessional transferee."

Sec. 2. This act shall become effective from and after July 1, 1977, and shall apply to professional corporations already in existence or organized after such effective date.

In the General Assembly read three times and ratified, this the 30th day of June, 1977.