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Professional Entities Areas of Review

Professional Corporations and Professional Limited Liability Companies:

- Professional Corporations law does not provide for issuing shares to limited liability partnerships, this is provided for in the PLLC article. Should LLCs or PLLCs be allowed to own shares of a PC, similarly should a PC be a member of a PLLC?
- Court action to appraise shares/membership interest
 - PLLC – If no principal office then action is filed in Hinds County Chancery Court, First Judicial District
 - PC/PA – If no principal office then action is filed in the county of the registered office.
- Different language used in each statute for appraisal of shares/membership interest

Model Professional Corporations Act:

- Sections of Model Law not included or modified in Mississippi's Professional Corporations Act:
 - Responsibility for Professional Services (§34)
 - 3 Alternatives provided in model act
 - Article of Incorporation for Licensing Authority (§60)
 - Requires delivering copy of articles of incorporation to licensing authority before being authorized to transact business in the state
 - Annual Qualification Statement for Licensing Authority (§61)
 - Requires annual reporting of names and business addresses of directors, officers, and other information required by rule by the licensing authority
 - Penalty for Signing False Document (§65)
 - Creates a misdemeanor for filing false documents under the act

Licensing Authority Issues:

- Medical Professionals -
 - Texas – Physicians and Physician Assistants can form a PC
 - Nebraska – Medical Professionals are considered one profession under Nebraska's Act
 - Most are already allowed to form entities together but cannot form Professional Entities
- Accountants - Firm must be owned by individuals (Licensing authority rule)
- Architects - Restricted to practicing as a sole proprietor, partnership, PC, PA, or PLLC. (Included in vocational statute)