

SENATE BILL 1240

A bill to amend 1962 PA 192, entitled
"Professional service corporation act,"
by amending section 4 (MCL 450.224), as amended by 1998 PA 10.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) One or more licensed persons may organize under
2 this act to become a shareholder or shareholders of a profes-
3 sional corporation for pecuniary profit.

4 (2) Except as otherwise provided in ~~subsections (3) and~~
5 ~~(4)~~ SUBSECTION (3) or otherwise prohibited, a professional cor-
6 poration may render 1 or more professional services, except that
7 each shareholder must be a licensed person in 1 or more of the
8 professional services rendered by the corporation.

9 ~~(3) A professional corporation may engage in the practice~~
10 ~~of public accounting in this state if not less than 2/3 of the~~
11 ~~shareholders are licensed in good standing as certified public~~

1 ~~accountants of this or another state or the equivalent in another~~
2 ~~licensing jurisdiction acceptable to the board of accountancy and~~
3 ~~all other shareholders are licensed or legally authorized to~~
4 ~~render a professional service offered by the professional~~
5 ~~corporation. As used in this subsection~~

6 ~~(a) "Board of accountancy" means that board created in sec-~~
7 ~~tion 721 of the occupational code, 1980 PA 299, MCL 339.721.~~

8 ~~(b) "Practice of public accounting" means that term as~~
9 ~~defined in section 720 of the occupational code, 1980 PA 299, MCL~~
10 ~~339.720.~~

11 (3) ~~(4)~~ Except as otherwise provided in this subsection,
12 if the professional corporation renders a professional service
13 that is included within the public health code, 1978 PA 368, MCL
14 333.1101 to 333.25211, then all shareholders of the corporation
15 shall be licensed or legally authorized in this state to render
16 the same professional service. One or more physicians and sur-
17 geons licensed under the public health code, 1978 PA 368, MCL
18 333.1101 to 333.25211, may organize a professional corporation
19 under this act with 1 or more physicians and surgeons licensed
20 under different provisions of the public health code, 1978 PA
21 368, MCL 333.1101 to 333.25211.

22 (4) ~~(5)~~ A licensed person of another jurisdiction may
23 become an officer, director, shareholder, employee, or agent of
24 the corporation but shall not render any professional service in
25 this state until the person is licensed or otherwise legally
26 authorized to render the professional service in this state.