

VIRGINIA ACTS OF ASSEMBLY -- 2003 SESSION

CHAPTER 786

An Act to amend and reenact §§ 13.1-546 and 13.1-1107 of the Code of Virginia, relating to professional services; independent contractors.

[H 1863]

Approved March 20, 2003

Be it enacted by the General Assembly of Virginia:

1. That §§ 13.1-546 and 13.1-1107 of the Code of Virginia are amended and reenacted as follows:

§ 13.1-546. How corporation may render professional services; nonprofessional employees and officers; organizers and shareholders need not be employees, etc.

No corporation organized and incorporated under this chapter may render professional services except through its officers, employees, *independent contractors*, and agents who are duly licensed or otherwise legally authorized to render such professional services, and only shareholders, officers, employees, *independent contractors*, and agents licensed or otherwise legally qualified by this Commonwealth may perform the professional service in Virginia; provided, however, this provision shall not be interpreted to preclude clerks, secretaries, bookkeepers, technicians and other assistants who are not usually and ordinarily considered by custom and practice to be rendering professional service to the public for which a license or other legal authorization is required from acting as employees of a professional corporation and performing their usual duties or from acting as officers of a professional corporation; and provided further that nothing contained in this chapter shall be interpreted to require that the right of an individual to be a shareholder of a corporation organized under this chapter, or to organize such a corporation, is dependent upon the present or future existence of an employment relationship between him and such corporation, or his present or future active participation in any capacity in the production of the income of such corporation or in the performance of the services rendered by such corporations.

§ 13.1-1107. How limited liability company may render professional services; nonprofessional employees and agents; members and managers need not be employees, etc.

No limited liability company organized under this chapter may render professional services except through its members, managers, employees, *independent contractors*, and agents who are duly licensed or otherwise legally authorized to render those professional services, and only members, managers, employees, *independent contractors*, and agents licensed or otherwise legally qualified by this Commonwealth may perform the professional service in Virginia. However, this provision shall not be interpreted to preclude clerks, secretaries, bookkeepers, technicians and other assistants who are not usually and ordinarily considered by custom and practice to be rendering professional service to the public for which a license or other legal authorization is required from acting as employees, managers and agents of a professional limited liability company and performing their usual duties or from acting as employees, *independent contractors*, managers or agents of a professional limited liability company. Nothing contained in this chapter shall be interpreted to require that the right of an individual to be a member or manager of a limited liability company organized under this chapter, or to organize that limited liability company, is dependent upon the present or future existence of an employment relationship between that individual and that limited liability company, or that individual's present or future active participation in any capacity in the production of the income of that limited liability company or in the performance of the services rendered by that limited liability company.