

Are LPAs permitted to form professional corporations or professional limited liability companies?

The Board office often receives questions with regard to whether Licensed Psychological Associates (LPAs) are permitted to form professional corporations or professional limited liability companies.

Under the NC Professional Corporations Act (NC Gen. Stat. § 55B-4), LPAs, as licensees of the Board (as defined by N.C. Gen. Stat § 55B-2(2)), may form professional corporations. This also applies to professional limited liability companies under N.C. Gen. Stat. § 57D-2-02. The professional corporation or professional limited liability company must comply with provisions set forth in N.C. Gen. Stat § 55B-4. The licensee that is attempting to form the professional corporation or professional limited liability company shall obtain a certificate of registration from the Board, as set forth N.C. Gen. Stat. § 55B-10.

However, under N.C. Gen. Stat § 55B-14(c), LPAs are not permitted to form professional corporations or professional limited liability companies with individuals licensed by other licensing boards. LPAs may only form professional corporations or professional limited liability companies with other LPAs or with Licensed Psychologists.

The Board cannot advise on the legal or tax issues involved with the formation of professional corporations or professional limited liability companies. A licensee interested in forming a professional corporation or professional limited liability company should consider contacting an attorney and/or accountant regarding those issues. If a licensee has additional questions regarding the process to form a professional corporation or professional limited liability company, you may contact the Board office at info@ncpsychologyboard.org or (828) 262-2258.