



California Corporate & Securities Law

LLCs May Have An Occupation But Usually Not A Profession

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California requires a permit, license or registration to engage in a wide variety of activities. The CalGOLD (California Government On-line to Desktops) [website](#) allows you to search 147 different business types that require some form of permit, license or registration. The site lists everything from Acupuncture to Wrecking and Demolition Contractor.

When the legislature enacted the Beverly-Killea Limited Liability Company Act, Corporations Code § 17000 *et seq.*, it provided that subject to any limitations contained in the articles of organization and to compliance with any other applicable laws, an LLC could engage in any lawful business activity, whether or not for profit, except the banking business, the business of issuing policies of insurance and assuming insurance risks, or the trust company business. Corporations Code § 17002(a). In Corporations Code § 17375, the legislature added one significant additional exception. It provided that an LLC has no authority to perform professional services as defined in Corporations Code § 13401 and § 13401.3.

The California Business & Professions Code requires licensing of some 60 different types of activities. This raises the question of whether these are all professions forbidden to LLCs? In 2004, the California Attorney General issued this [opinion](#) concluding that some are professions and others are not. The opinion says that you can distinguish one from the other by looking at the educational, training and testing prerequisites. The opinion, however, does not specify which are professions and which are not.

Of course, it is possible for the Business & Professions Code to specifically authorize an LLC to obtain a professional license. See Business & Professions Code § 17002(c). For example, I wrote this [post](#) about SB 392 which authorizes the [Contractors' State License Board](#) to issue contractor's licenses to limited liability companies.

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