

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas  
2 81st General Assembly  
3 Regular Session, 1997  
4 By: Senator Malone

# A Bill

SENATE BILL 80

## For An Act To Be Entitled

8 "AN ACT TO AMEND THE ARKANSAS CODE TO ALLOW A LIVING  
9 REVOCABLE TRUST TO HOLD SHARES IN PROFESSIONAL  
10 CORPORATIONS; AND FOR OTHER PURPOSES."

## Subtitle

15 "TO AMEND THE ARKANSAS CODE TO ALLOW A  
16 LIVING REVOCABLE TRUST TO HOLD SHARES IN  
17 PROFESSIONAL CORPORATIONS."

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23 SECTION 1. Arkansas Code § 4-29-202 is amended to read as follows:

24 "§ 4-29-202. Definition.

25 As used in this subchapter, unless the context otherwise requires,

26 A. *beneficial owner* means an individual who is the grantor and  
27 sole trustee of a revocable living trust wherein the individual reserves the  
28 unrestricted right to revoke the trust;

29 (b) *professional service* means any type of professional service which  
30 may be legally performed only pursuant to a license or other legal personal  
31 authorization, for example: the personal service rendered by certified public  
32 accountants, architects, engineers, dentists, doctors, and attorneys at law-;

33 (c) *shareholder* means either (1) the person in whose name shares are  
34 registered in the records of a corporation or (2) the beneficial owner of  
35 shares of a revocable living trust where the shares are registered in the  
36 records of the corporation in the name of the revocable living trust."

37

1 SECTION 2. Arkansas Code § 4-29-301 is amended to read as  
2 follows:

3 "§ 4-29-301. Title and Definitions.

4 (a) This subchapter may be cited as the 'Medical Corporation Act'.

5 (b) As used in this subchapter, unless the context otherwise  
6 requires,

7 (1) 'beneficial owner' means an individual who is the grantor  
8 and sole trustee of a revocable living trust wherein the individual  
9 reserves the unrestricted right to revoke the trust;

10 (2) 'professional service' means any type of professional  
11 service which may be legally performed only pursuant to a license or  
12 other legal personal authorization, for example: the personal service  
13 rendered by certified public accountants, architects, engineers,  
14 dentists, doctors, and attorneys at law; and

15 (3) 'shareholder' means either (1) the person in whose name  
16 shares are registered in the records of a corporation or (2) the  
17 beneficial owner of shares of a revocable living trust where the shares  
18 are registered in the records of the corporation in the names of the  
19 revocable living trust."

20  
21 SECTION 3. Arkansas Code § 4-29-401 is amended to read as  
22 follows:

23 "§ 4-29-401. Title and Definitions.

24 (a) This subchapter may be cited as the 'Dental Corporation Act'.

25 (b) As used in this subchapter, unless the context otherwise  
26 requires,

27 (1) 'beneficial owner' means an individual who is the grantor  
28 and sole trustee of a revocable living trust wherein the individual  
29 reserves the unrestricted right to revoke the trust;

30 (2) 'professional service' means any type of professional  
31 service which may be legally performed only pursuant to license or other  
32 legal personal authorization, for example: the personal service rendered  
33 by certified public accountants, architects, engineers, dentists,  
34 doctors, and attorneys at law; and

35 (3) 'shareholder' means either (1) the person in whose name  
36 shares are registered in the records of a corporation or (2) the

1 beneficial owner of shares of a revocable living trust where the shares  
2 are registered in the records of the corporation in the name of the  
3 revocable living trust."

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5 SECTION 4. Arkansas Code § 17-12-103 is amended to read as  
6 follows:

7 "§ 17-12-103. Definitions.

8 As used in this chapter, unless the context otherwise requires:

9 (1) \_Beneficial owner\_ means an individual who is the grantor and  
10 sole trustee of a revocable living trust wherein the individual reserves  
11 the unrestricted right to revoke the trust;

12 (2) \_Board\_ means the "Board of Public Accountancy" created by §  
13 17-12-201; and

14 (3) \_Professional service\_ means any type of professional service  
15 which may be legally performed only pursuant to license or other legal  
16 authorization, for example: the personal service rendered by certified  
17 public accountants, architects, engineers, dentists, doctors, and  
18 attorneys at law;

19 (4) \_Shareholder\_ means either (1) the person in whose name shares  
20 are registered in the records of a corporation or (2) the benefical  
21 owner of shares of a revocable living trust where the shares are  
22 registered in the records of the corporation in the name of the  
23 revocable living trust; and

24 ~~——(2)(5)~~ \_State\_ means any state, territory, or insular  
25 possession of the United States or the District of Columbia."

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27 SECTION 5. All provisions of this act of a general and permanent  
28 nature are amendatory to the Arkansas Code of 1987 Annotated and the  
29 Arkansas Code Revision Commission shall incorporate the same in the  
30 Code.

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32 SECTION 6. If any provision of this act or the application  
33 thereof to any person or circumstance is held invalid, such invalidity  
34 shall not affect other provisions or applications of the act which can  
35 be given effect without the invalid provision or application, and to  
36 this end the provisions of this act are declared to be severable.

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SECTION 7. All laws and parts of laws in conflict with this act  
are hereby repealed.