


COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, PL 93-198, (the Act) the Council of the District of Columbia adopted Bill No. 1-170 on first and second readings July 22, 1975, and October 7, 1975, respectively. Following the signature of the Mayor on October 29, 1975, this legislation was assigned Act No. 1-61, published in the November 18, 1975, edition of the D.C. Register, and transmitted to both Houses of Congress for a 30-day review, in accordance with Section 602(c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional review period has expired and, therefore, cites the following legislation as D.C. Law No. 1-43, effective January 23, 1976.


STERLING TUCKER
Chairman of the Council

In the Council of the District of Columbia

January 23, 1976

To amend the District of Columbia Professional Corporation Act of 1971 as it affects the imposition of corporate franchise taxes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,
That this act shall be known and may be cited as the
"District of Columbia Professional Corporation Revision Act
of 1975".

Sec. 2. Section 21 of the District of Columbia
Professional Corporation Act (D.C. Code, sec. 29-1101 et
seq.) is amended to read as follows:

"Sec. 21. Notwithstanding any other provisions of
this Act, a professional corporation incorporated under
this Act, and a foreign professional corporation
obtaining a certificate of authority to render a
professional service in the District of Columbia in
accordance with the provisions of section 14 of this
Act, which carries on or engages in any trade or
business in the District of Columbia shall,

for the purpose of the imposition of a franchise tax under the District of Columbia Income and Franchise Tax Act of 1947, be considered and treated as an unincorporated business as defined in Title VIII of the District of Columbia Income and Franchise Tax Act of 1947, and not as an incorporated business, and, (1) be allowed the exemption provided for unincorporated businesses under section 4 of Title VIII of the District of Columbia Income and Franchise Tax Act of 1947, (2) in addition to all other applicable provisions of the District of Columbia Income and Franchise Tax Act of 1947, be subject to the limitation contained in the first proviso in paragraph 15 of section 3 of Title III of the District of Columbia Income and Franchise Tax Act of 1947 as to the aggregate deduction for services rendered by the individual owners or members actively engaged in the conduct of an unincorporated business. For the purpose of the application of the first proviso in paragraph 15 of section 3 of Title III of District of Columbia Income and Franchise Tax Act of 1947, the words "individual owners or members actively engaged

in the conduct of the unincorporated business' shall mean, in the case of a professional corporation, any shareholder of such corporation who, for compensation, renders professional services on behalf of the corporation of which he is a share-holder, but shall not include any other person who is employed by the corporation to render to the corporation any service, whether professional or otherwise, and for which such service such person is compensated as an officer, employee or agent."

Sec. 3. This act shall apply, for purposes of the application of the District of Columbia Income and Franchise Tax Act of 1947, with respect to taxable years beginning on or after January 1, 1975.

Docket for the Bill 1-170

Considered in Council 7-22-75

First vote 7-22-75

RECORD OF COUNCIL VOTE

COUNCIL MEMBER	YES	NO	P.	R.	A.	B.	R.	A.	COUNCIL MEMBER	YES	NO	P.	R.	A.	B.	R.	A.
TUCKER	X								DXON	X							
MOORE, D.			X						HARDY	X							
BARRY	X								HOBSON		X						
CLARKE	X								MOORE, J.				X				
COATES		X							SHACKLETON	X							

X—Indicates Vote P. R.—Present A. B.—Absent R. A.—Readopted

Final vote in Council 10-7-75

Robert A. Williams
(Secretary of the Council)

RECORD OF COUNCIL VOTE

COUNCIL MEMBER	YES	NO	P.	R.	A.	B.	R.	A.	COUNCIL MEMBER	YES	NO	P.	R.	A.	B.	R.	A.
TUCKER	X								DXON	X							
MOORE, D.		X							HARDY	X							
BARRY	X								HOBSON	X							
CLARKE		X							MOORE, J.	X							
COATES	X								SHACKLETON	X							

X—Indicates Vote P. R.—Present A. B.—Absent R. A.—Readopted

Robert A. Williams
(Secretary of the Council)

Presented to the Mayor 10-14-75

Robert A. Williams
(Secretary of the Council)

Mayor's action
approve: 29 OCT 1975
disapprove: _____

Victor M. Smith
(Mayor's Signature) 29 OCT 1975

Enacted without Mayor's signature _____

(Secretary of the Council)

Reconsidered by Council _____ Vote _____

RECORD OF COUNCIL VOTE																	
COUNCIL MEMBER						COUNCIL MEMBER						COUNCIL MEMBER					
YES	NO	P. B.	A. B.	P. A.		YES	NO	P. B.	A. B.	P. A.		YES	NO	P. B.	A. B.	P. A.	
TUCKER						DIXON						SPAULDING					
MOORE, D.						HARDY						WILSON					
BARRY						ROBSON						WINTER					
CLARKE						MOORE, J.											
COATES						SHACKLETON											
X—Indicates Vote P. B.—Present A. B.—Absent P. A.—Readopted																	

(Secretary of the Council)

Presented to the President _____

(Secretary of the Council)

Sustain Mayor's veto _____

Not Sustain Mayor's veto _____

(President of the U.S.)

Submitted to the Congress _____

(Secretary of the Council)

Senate action _____
resolution number _____

House action _____
resolution number _____

(Secretary of the Senate)

(Clerk of the House)

Enacted without Congressional action _____

(Secretary of the Council)