

## Professional Corporations

In 2019, the College of Dental Hygienists of Nova Scotia's ("CDHNS" or the "College") approved and implemented a process for the issuance of permits to professional corporations to carry on the practice of dental hygiene.

### *Background*

The legislation which governs the practice of dental hygiene, namely the *Dental Hygienists Act* (the "Act"), requires the College to govern and administer certain matters related to professional corporations that wish to carry on the practice of dental hygiene. The Act allows professional corporations to engage in the practice of dental hygiene upon the issuance of a permit under the Act.

### *Application Form and Guidelines*

Dental hygienists who wish to practice through a professional corporation must complete an online application form. Click here to access the Professional Corporation Name Approval Request form, phase 1 of the process. See the Next Steps section of this document for further details. Please review the *Guidelines* to confirm the College's requirements.

Fees as approved by Council:

- Initial Registration Fee: \$100 for Professional Corporations
- Annual Renewal Fee: \$75 for Professional Corporations

### *Who Needs to Apply for a Professional Corporation Permit?*

Any member who carries on the practice of dental hygiene through a body corporate is required to obtain a permit for the corporation. To determine whether this applies to you, consider this brief explanation of the difference between a professional corporation, a regular incorporated company and a sole proprietorship. **For further information, please consult with a lawyer.**

A **professional corporation** is a corporation that provides professional services and that is regulated by a governing professional body (such as the College). If a regulated professional (i.e. a dental hygienist) wishes to provide services through a corporation, the professional corporation must meet the requirements of the governing body. The professional then provides her or his services to the corporation as its employee, and the corporation is the one that receives professional fees for its services from clients/insurers. A professional corporation, like a regular corporation, is a separate legal entity.

**If you provide services through a dentist professional corporation, you do not need to apply for a professional corporation permit from the CDHNS.**

**The most important difference between a regular corporation and a professional corporation** is that a professional corporation does not protect its owners (shareholders) from personal liability like a regular corporation does. For instance, see section 78 of the Act which states:

*78 (1) All persons who carry on the practice of dental hygiene by, through or on behalf of a professional corporation are liable in respect of acts or omissions done or omitted to be done by them in the course of the practice of dental hygiene to the same extent and in the same manner*

*as if such practice were carried on by them as an individual or a partnership, as the case may be, carrying on the practice of dental hygiene.*

A **sole proprietorship** is not a separate legal entity – it's just a simple form of business organization where one person is the sole owner and fully responsible for all debts and obligations of the business (essentially, a partnership of one person). A **partnership** is also not a separate legal entity. If a sole proprietorship or partnership wants to carry on business in Nova Scotia under their own name only, no registration is required. However, if they want to use a different name (i.e. Jane Doe's Dental Hygiene Practice), that business name has to be registered with the Registry of Joint Stocks. However, registration of business or partnership name with Registry of Joint Stocks is not an incorporation and does not create a separate legal entity. Accordingly, if you practice dental hygiene as a sole proprietor or in partnership with others, whether with or without a registered business name, you are not required to obtain a professional corporation permit from the College.

**You should obtain your own legal advice with respect to the advantages and disadvantages of practicing your profession through a corporation and whether doing so is right for you.**

### *Next Steps*

If you practice dental hygiene through a corporation or wish to begin doing so, you must complete an application to receive a permit. Complete the following steps:

1. Review the CDHNS Guidelines to ensure you comply with the College's requirements.
2. Incorporate your corporation or amend your corporation's foundational documents to comply with the College's requirements.
3. Submit a Proposed Corporation Name Approval Request.
4. Once approved, complete an application for a permit.
5. Receive notification that the Registrar has been satisfied that you fulfill the conditions outlined in the Act and in the Guidelines and receive your permit.
6. Display the issued permit in a prominent place in the premises.

Anyone who practices through a professional corporation but does not hold a permit may be subject to disciplinary action by the College in accordance with the Act and Regulations.

Once you receive your initial professional corporation permit, the deadline to renew annually is **November 30. Permit expires Dec 31 of each year.**

If you are unsure as to whether you practice dental hygiene through a professional corporation, please consult with a lawyer or contact the Registrar of the College for more information.