



Business Entity Formation - Frequently Asked Questions

The following information is provided as a courtesy to architects who wish to form a business entity in California. The California Secretary of State’s office regulates business entity formation, processes filings, maintains records and provides the public with information relating to these topics. Prior to starting your business, please visit the [Business Entities Section of the Secretary of State’s website](#).

You are advised to consult with an attorney or your insurance provider to determine which type of business entity is most appropriate for your firm.

General provisions governing most business entities are found in the [California Corporations Code](#). The [Architects Practice Act](#) defines the [practice of architecture](#) and governs the formation of [Professional Architectural Corporations](#).

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What are the most common types of foreign and domestic business entities that can be used to provide architectural services in California and what are the restrictions on each regarding Ownership, Naming and Advertising?

General Stock Corporation (S- or C- corp)

Ownership is not restricted to licensed architects

May use the word architect or similar in its business name. See [Business and Professions Code section 5535.2](#).

May advertise architectural services only if a licensee is in management control (owner/officer/employee) of the professional services and a licensee is in responsible control of all design services. See [California Code of Regulations title 16, section 134](#).

Registered Limited Liability Partnership (LLP)

Ownership is restricted to licensed architects, one of whom must be licensed in California.

May not use the word architect or similar in its business name

May advertise architectural services only if a licensee is in management control (owner/officer/employee) of the professional services and a licensee is in responsible control of all design services. See [California Code of Regulations title 16, section 134](#).

Professional Corporation (PC)

Shareholders, Officers, Directors, and employees rendering professional services restricted to licensed architects

Must comply with the [Moscone-Knox Professional Corporation Act](#)

Name restricted to the name or the last name of one or more of the present, prospective, or former shareholders, or of persons who were associated with a predecessor person, partnership, or other organization and whose name or names appeared in the name of the predecessor organization, and shall include either (1) the words “architectural corporation” or (2) the word “architect” or “architects” and wording or abbreviations denoting corporate existence. See [Business and Professions Code section 5610.3](#)

May advertise architectural services.

Limited Liability Corporation (LLC)

Not allowed to provide architectural services in CA. See [Corporations Code section 17701.04\(e\)](#)

Foreign Business (defined as a business from another state “entering into repeated and successive transactions of its business in this state, other than interstate or foreign commerce”)

General Stock Corporations and LLPs only, with the same restrictions as a domestic entity.

Foreign Professional Corporations must be authorized by the California Business and Professions Code to qualify in the State of California. Currently, this authority includes only the professions of law and accountancy. See Secretary of State form [S&DC-PC Instructions \(REV 12/2020\)](#).

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Business Entity Report Form: The California Architects Board does not license businesses, but each person holding a license to practice architecture in California must report to the Board the name and address of any entity through which he or she provides architectural services. The [form](#) and a detailed [informational bulletin](#) can be found on the Board’s website. See [Business and Professions Code section 5558](#).