



Royal College of
Dental Surgeons of Ontario

Ensuring Continued Trust

BULLETIN

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TO: ALL RCDSO MEMBERS

Tuesday, November 26, 2002

IMPORTANT NEW INFORMATION ABOUT HEALTH PROFESSION INCORPORATION

Corporate Names

In recent discussions with officials at the Ministry of Consumer and Business Services, the College was informed that the Ministry does require that the name designation "Professional Corporation" must be one continuous phrase, with no other word in between, such as "Professional Dentistry Corporation." It is interesting to note, however, that the Ministry is still incorporating companies and issuing Certificates of Status and Certificates of Incorporation to companies whose names do not meet their own requirements.

The College notes that corporations that have not adhered strictly to the provisions of the legislation may find the federal Canada Customs Revenue Agency (CCRA) or the provincial Minister of Finance choose to disallow certain tax benefits that might otherwise be available to the health profession corporation (HPC).

In other words, before applying for a Certificate of Authorization with the College, please ensure that the name of your corporation is set out as follows:

Shareholder(s) Last Name Dentistry Professional Corporation

You may also include the shareholder(s) first name(s) and/or initials in conjunction with the shareholder(s) last name(s).

The College continues to stress that it cannot give legal or accounting advice on matters related to incorporation. However, if your name does not meet the provisions in the legislation, we urge you to discuss this with your lawyer and consider applying for a change of name prior to applying for a Certificate of Authorization with us.

We understand that this new information is contrary to previous information received by the College from the Ministry of Health and Long-Term Care regarding corporation names, and we regret any inconvenience this may cause.

To accommodate members who wish to revise their corporation name to comply with the legislation, the College has decided that the requirement to complete an application for a revised Certificate of Authorization along with the \$200 fee for a revised Certificate of Authorization will be waived.

Temporary Investment of Surplus Income

Information has come to the College's attention that, on October 30, 2002, an amending Bill was presented to the House for first reading in respect of the *Business Corporations Act (Ontario)*. Members should be aware that this Bill proposes to remove the word "temporary" from the investment of surplus provisions respecting health profession corporations in the Act.

RCDSO Advises Seek Professional Advice

RCDSO must again point out that it is each member's responsibility to ensure that he/she is in strict compliance with the provincial legislation. Members are advised to obtain legal and accounting advice on this issue and all aspects of incorporation. Health profession incorporation is new, and it is a learning process for all of us – government, the College, lawyers and accountants.

Questions About College's Process

If you have any questions about the College's incorporation process, please have a look at the article in the October/November 2002 issue of *Dispatch* that covers some of the most common questions and answers about HPCs.

Who to Call At the College

If you have other questions about the College process, you may call any of the following College staff:

- Julie Wilkin, Professional Incorporation Co-ordinator
416-934-5612/toll free 1-800-565-4591
e-mail: jwilkin@rcdso.org
- Dayna Simon, Assistant to the Registrar, Legal
416-934-5618/toll free 1-800-565-4591
e-mail: dsimon@rcdso.org
- Rob Lees, Manager, Registration
416-61-6555, ext. 4353/toll free 1-800-565-4591
e-mail: rlees@rcdso.org
- Irwin Fefergrad, Registrar
416-934-5625/toll free 1-800-565-4591
e-mail: ifefergrad@rcdso.org

How to Order Incorporation Audio Tapes/CDs

If you would like to order the set of audiotapes or CDs and accompanying materials that cover the advantages and disadvantages of health professional corporations – geared specifically to dentistry, please contact Aurore Sutton by phone at 416-961-6555, ext.4303/toll free 1-800-565-4591, or by e-mail at asutton@rcdso.org to make arrangements. The CD or the audiotape package costs \$200 for members and \$300 for non-members.

How to Order Free Incorporation Kit

If you would like to receive a free copy of the incorporation kit, please contact:

Kim Vivash, Administrative Assistant, Registration, by phone at 416-961-6555, ext. 4346/toll free 1-800-565-4591 or by e-mail at kvivash@rcdso.org.