

14A:17-14

LEGISLATIVE HISTORY CHECKLIST  
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NJSA: 14A:17-14

(Professional  
corporations--names)

LAWS OF: 1991

CHAPTER: 50

Bill No: A3323

Sponsor(s): Ford

Date Introduced: April 2, 1990

Committee: Assembly: Commerce

Senate: Judiciary

Amended during passage: No

Date of Passage: Assembly: December 17, 1990

Senate: January 24, 1991

Date of Approval: March 6, 1991

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: Yes

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: No

Following were printed:

Reports: No

Hearings: No

KBG/SLJ

1 AN ACT concerning the corporate names of certain professional  
2 corporations and amending P.L. 1969, c. 232.

3  
4 BE IT ENACTED by the Senate and General Assembly of the  
5 State of New Jersey:

6 1. Section 14 of P.L. 1969, c. 232 (C.14A:17-14) is amended to  
7 read as follows:

8 14. a. Corporate name. The corporate name of a professional  
9 corporation shall contain the full or last names of one or more of  
10 the shareholders or a name descriptive of the type of professional  
11 service in which the corporation will be engaged and shall also  
12 contain the words "chartered," "professional association" or "a  
13 professional corporation," or the abbreviation "P.A." or "P.C."  
14 The use of the word "company," "corporation" or  
15 "incorporated," or any other word, words, abbreviations, affix or  
16 prefix indicating that it is a corporation, in the corporate name  
17 of a professional corporation, other than the words "chartered,"  
18 "professional association" or "a professional corporation," or the  
19 abbreviation "P.A." or "P.C.," is specifically prohibited. It shall  
20 be permissible, however, for the corporation and the shareholders  
21 to render professional services or to exercise its authorized  
22 powers under a name which is identical to its corporate name  
23 except that the words "chartered," "professional association" or  
24 "a professional corporation," or the abbreviation "P.A." or  
25 "P.C." is omitted.

26 b. Notwithstanding the provisions of subsection a. of this  
27 section, the corporate name of a professional corporation may  
28 contain the name of a deceased person only if, at the time of the  
29 person's death:

- 30 (1) that person's name was part of the corporate name; or  
31 (2) that person's name was part of the name of an existing  
32 ~~partnership and at least two-thirds of that partnership's partners~~  
33 become shareholders of the professional corporation.

34 (cf: P.L. 1982, c. 97, s. 1)

35 2. This act shall take effect immediately.

36  
37 STATEMENT

38  
39 This bill permits the continued use of the name of a deceased  
40 person in the corporate name of a professional corporation if, at

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the  
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 the time of death, the person's name was part of the corporate  
2 name, or if the person's name was part of the name of a  
3 partnership of which at least two-thirds of the partners become  
4 shareholders in the professional corporation. Currently the  
5 statute with respect to corporate names is interpreted to require  
6 the name of at least one living shareholder. This bill will thus  
7 permit a professional corporation which has used a particular  
8 person's name for a long period of time to continue to use that  
9 person's name after that person's death.

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## 12 COMMERCE AND INDUSTRY

13

14 Permits continued use of names of deceased individuals by  
15 professional corporations.

ASSEMBLY, No. 3323

STATE OF NEW JERSEY

INTRODUCED APRIL 2, 1990

By Assemblywoman FORD and Assemblyman Doyle

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## COMMERCE AND INDUSTRY

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ASSEMBLY COMMERCE AND REGULATED PROFESSIONS  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3323**

**STATE OF NEW JERSEY**

DATED: APRIL 26, 1990

The Assembly Commerce and Regulated Professions Committee reports favorably Assembly Bill No. 3323.

This bill permits the continued use of the name of a deceased person in the corporate name of a professional corporation if, at the time of death, the person's name was part of the corporate name, or if the person's name was part of the name of a partnership of which at least two-thirds of the partners become shareholders in the professional corporation.

SENATE JUDICIARY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3323

STATE OF NEW JERSEY

DATED: JANUARY 10, 1991

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The Senate Judiciary Committee reports favorably Assembly Bill No. 3323.

The bill would amend N.J.S.A.14A:17-14 to permit the continued use of the name of a deceased person in the corporate name of a professional corporation if, at the time of death, the person's name was part of the corporate name or if the person's name was part of the name of an existing partnership and at least two-thirds of that partnership's partners become shareholders of the professional corporation. N.J.S.A.14A:17-14 is presently interpreted by the Department of State as requiring a corporate name to contain the name of at least one living shareholder.