



2020 South Dakota Legislature

House Bill 1114

Introduced by: **Representative Rounds**

1 **An Act to authorize additional abbreviations in naming corporations, limited liability**
 2 **companies, and limited liability partnerships.**

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 **Section 1.** That § 47-11-2 be AMENDED:

5 **47-11-2. Corporate name.**

6 A corporate name shall end with the word "chartered," or, the word "limited," or
 7 the abbreviation "Ltd.," or the words "professional association," or the abbreviation "P.C."
 8 or "PC". Corporations that were utilizing the designation "P.A." on July 1, 1974, but no
 9 others, may continue to use that designation. A limited liability company name shall
 10 include the word "professional limited liability company" or the abbreviation "Prof. L.L.C.",
 11 "Prof. LLC", "P.L.L.C.", or "PLLC".

12 **Section 2.** That § 47-11A-4 be AMENDED:

13 **47-11A-4. Words or abbreviations required in corporate name--Ethical**
 14 **standards.**

15 The name of a corporation formed under § 47-11A-1 shall contain the words
 16 "professional company" or "professional corporation" or abbreviations thereof, such as
 17 "Prof. Co.," ~~or "Prof. Corp."~~, ~~or "P.C."~~, or "PC". The name of a limited liability company
 18 formed under § 47-11A-1 shall contain the words "professional limited liability company"
 19 or the abbreviation "Prof. L.L.C.", "Prof. LLC", "P.L.L.C.", or "PLLC". In addition, the name
 20 of the corporation or limited liability company shall always meet the ethical standards
 21 established for the names of chiropractic firms by the canons of professional ethics of the
 22 South Dakota Chiropractors Association as if all ~~of~~ the stockholders of the corporation or
 23 members of the limited liability company were partners.

24 **Section 3.** That § 47-11B-2 be AMENDED:

1 **47-11B-2. Corporate name--Ethical standards.**

2 The corporate name shall contain the words "professional company" or
3 "professional corporation" or abbreviations thereof, such as "Prof. Co." ~~,"~~ "Prof. Corp." ~~,~~
4 "P.C." ~~,~~ "PC" ~~,~~ or "Prof. Ltd." The name of a professional limited liability company shall
5 contain the words "professional limited liability company" or the abbreviation "Prof.
6 L.L.C." ~~,~~ "Prof. LLC" ~~,~~ "P.L.L.C." ~~,~~ or "PLLC". In addition, the name of the corporation or
7 limited liability company shall always meet the ethical standards ~~to be~~ established by the
8 State Board of Examiners in Optometry by duly adopted rules and regulations.

9 **Section 4.** That § 47-11C-2 be AMENDED:

10 **47-11C-2. Corporate name--Ethical standards.**

11 The corporate name shall contain the words "professional company" or
12 "professional corporation" or abbreviations thereof, such as "Prof. Co.," "Prof. Corp.,"
13 "P.C." ~~,~~ "PC" ~~,~~ or "Prof. Ltd." A limited liability company name shall contain the words
14 "professional limited liability company" or the abbreviation "Prof. L.L.C." ~~,~~ "Prof. LLC"
15 "P.L.L.C." ~~,~~ or "PLLC". In addition, the name of the corporation or limited liability company
16 shall always meet the ethical standards established by the State Board of Podiatry
17 Examiners by duly adopted rules and regulations.

18 **Section 5.** That § 47-11D-2 be AMENDED:

19 **47-11D-2. Corporate name.**

20 The name of a corporation shall contain the words, professional company, or
21 professional corporation, or abbreviations thereof, such as Prof. Co., Prof. Corp., P.C., PC,
22 or Prof. Ltd. The name of a limited liability company formed under § 47-11D-1 shall
23 contain the words, professional limited liability company, or the abbreviation, Prof. L.L.C. ~~,~~
24 Prof. LLC, P.L.L.C., or PLLC.

25 **Section 6.** That § 47-11E-4 be AMENDED:

26 **47-11E-4. Name of corporation or limited liability company.**

27 The name of a corporation formed pursuant to § 47-11E-1 shall contain the words,
28 professional company or professional corporation or abbreviations thereof, such as Prof.
29 Co., ~~or~~ Prof. Corp. ~~,~~ ~~or~~ P.C. ~~,~~ or PC. The name of a limited liability company formed under
30 § 47-11E-1 shall contain the words, professional limited liability company, or the
31 abbreviation, Prof. L.L.C., Prof. LLC, P.L.L.C., or PLLC. The name of the corporation or

1 limited liability company shall always meet the ethical standards established for the names
2 of nursing firms by the canons of professional ethics of the South Dakota Board of Nursing
3 as if all ~~of~~ the stockholders of the corporation were partners.

4 **Section 7.** That § 47-11F-11 be AMENDED:

5 **47-11F-11. Corporate name.**

6 The corporate name of a corporation formed pursuant to this chapter shall end with
7 the words, Professional Corporation, or the abbreviation, P.C. or PC, or the word, Limited,
8 or the abbreviation, Ltd. The name of any limited liability company shall end with the
9 words, Professional Limited Liability Company, or the abbreviation, Prof. L.L.C., Prof. LLC,
10 P.L.L.C., or PLLC, or the words, Limited Liability Company, or the abbreviation, L.L.C. or
11 LLC. The name of any limited liability partnership shall end with the words, Professional
12 Limited Liability Partnership, or the abbreviation, P.L.L.P. or PLLP, or the words, Limited
13 Liability Partnership, or the abbreviation, L.L.P. or LLP.

14 **Section 8.** That § 47-13-2 be AMENDED:

15 **47-13-2. Corporate name.**

16 The corporate name shall end with the word "chartered," or the word "limited," or
17 the abbreviation "Ltd.," or the words "professional association," or the abbreviation "P.C."
18 or "PC". Corporations that were utilizing the designation "P.A." on July 1, 1974, but no
19 others, may continue to use that designation. The name of a limited liability company shall
20 contain the words "professional limited liability company" or the abbreviation "Prof.
21 L.L.C.", "Prof. LLC", "P.L.L.C.", or "PLLC".

22 **Section 9.** That § 47-13A-2 be AMENDED:

23 **47-13A-2. Contents of articles of incorporation.**

24 The articles of incorporation of such corporations shall contain provisions complying
25 with the following requirements:

26 (1) The name of a corporation shall contain the words "professional company" or
27 "professional corporation" or abbreviations thereof, such as "Prof. Co.," ~~or~~ "Prof.
28 Corp.", ~~or~~ "P.C.", or "PC". The name of a limited liability company shall contain the
29 words "professional limited liability company" or the abbreviation "Prof. L.L.C.",
30 "Prof. LLC", "P.L.L.C.", "PLLC". In addition, the name of the corporation shall always
31 meet the ethical standards established for the names of law firms by the Rules of

- 1 Professional Conduct of the Supreme Court of South Dakota as if all ~~of~~ the
2 stockholders of the corporation were partners.
- 3 (2) The corporation shall be organized solely for the purpose of conducting the practice
4 of law only through persons qualified to practice law in the State of South Dakota.
- 5 (3) The corporation may exercise the powers and privileges conferred upon
6 corporations by the laws of the State of South Dakota only in furtherance of and
7 subject to its corporate purpose.
- 8 (4) All shareholders of the corporation shall be persons duly licensed by the Supreme
9 Court of the State of South Dakota to practice law in the State of South Dakota,
10 and who at all times own their shares in their own right. They shall be individuals
11 who, except for illness, accident, time spent in the armed services, on vacations,
12 and on leaves of absence not to exceed one year, are actively engaged in the
13 practice of law in the offices of the corporation.
- 14 (5) Provisions shall be made requiring any shareholder who ceases to be eligible to be
15 a shareholder to dispose of all his shares forthwith either to the corporation or to
16 any person having the qualifications prescribed in subdivision (4) ~~above~~.
- 17 (6) The president shall be a shareholder and a director, and to the extent possible all
18 other directors and officers shall be persons having the qualifications prescribed in
19 subdivision (4) ~~above~~. Lay directors and officers ~~shall~~may not exercise any
20 authority whatsoever over professional matters.
- 21 (7) Repealed by SL 2005, ch 240, § 9.

22 **Section 10.** That § 47-13B-4 be AMENDED:

23 **47-13B-4. Corporate name.**

24 The name of the corporation shall contain words "professional company," or
25 "professional corporation" or abbreviations thereof, such as "Prof. Co.," "Prof. Corp.,"
26 "P.C.," "PC," "Incorporated," "Corporation," "Corp.," "Association," "Ltd.," "Chartered," or
27 "Inc." The name of a limited liability company shall contain the words "professional limited
28 liability company" or the abbreviation "Prof. L.L.C.," "Prof. LLC," "P.L.L.C.," or "PLLC". In
29 addition, any name of a corporation or limited liability company shall always meet the
30 ethical standards established for the names of professional accounting firms by the board
31 of the State of South Dakota, and in accordance with the code of professional ethics of
32 the American Institute of Certified Public Accountants.