

# Steps to forming a NYS Professional Company

Diane Damiano, Sr. Client Service Representative

# Today's Agenda

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- Who can form a professional corporation/LLC
- Choosing the right name for you
- What is required/Required Consents
- Preparing your documents
- The Do's
- The Don'ts



# Speaker

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# Who can form a professional corporation/LLC?

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# Professionals

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- Any professional who is licensed through the New York State Education Dept. and is forming a Corporation/LLC to practice their profession



# Websites to visit

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- This is a very helpful website, which supplies a link to all aspects pertaining to Professional companies, from registering, verifying a licensed professional or existing company, NYS Board, information etc. The website address is: [Op.nysed.gov](https://op.nysed.gov).



# Choosing the right name for you

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# Avoiding Rejection

- Your Formation will be rejected if your entity name does not contain the profession being practiced in the title
- Regulations of the Commissioner of Education, [Part 59, Section 59.10\(c\)\(1\)](#)





# Example

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- I am a Physician forming a Corporation by myself, my profession is medicine. I am required to state that profession in the title, I can choose one of the following:
- Anthony Stephen Fauci, M.D., P.C. (using the Medical Doctor initials)
- Anthony Stephen Fauci Physician P.C.
- Manhattan Medical Services LLC OR PLLC or spelled out



# What is required/Required Consents

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## **Requirements for company registration**



# Statutes

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- A corporation is required to form under [section 1503](#) of the NYS Business Corporation Law or Under [Section 1203](#) of the NYS Limited Liability Company Law

# Department of Education

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- All professional companies wishing to file with the State of New York are required to obtain the consent of the NYS Education Dept. (office of Professions) prior to filing with the state



# Requirements

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- All professional companies are required to provide the attached Affidavit along with the Certificate of Incorporation or Articles of Organization.
- It is also very helpful if you provide a copy of the University of the State of New York Education Dept. Office of Professions Registration Certificate



# Specialty

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- All companies forming with a specialty in their name require a copy of their credentials in that field (University Certificate) (Board License)



# Certificate of Authorization

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- The professions of Engineering, Land Surveying or Geology are required to file an Application for Certificate of Authorization (COA) to provide such services



# Post Filing Requirements

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- All corporation and limited liability company filings require that once formed with the State of New York, the certified copy must also be filed with the Education Dept. so they can record the filing on their website
- If the COA form (Engineering, Land Surveying and Geology) is not filed with the Education Dept., the Education Dept. will not record the certified copy and the company will not appear on their website and will not have met their requirements





# Preparing Your Documents



# Corporation

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- Name
- Profession
- Authorized shares
- County
- Service of Process address
- Name and resident address of all individuals who are to be the original shareholders, directors and officers

**Note:** The Education Dept. will accept a copy of the signature but it cannot be a conformed signature and no one other than the professional can sign.

# Limited Liability Company (LLC)

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- Name
- Profession
- County
- Service of process address
- The names and residence addresses of all individuals who are to be the original members and the original managers.

**Note:** New York does allow Domestic or Foreign Professional Corporations, Professional Limited Liability Companies, Professional LLPs or Partnerships to act as the original members and managers (If any).

# Advice/Requirement

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- If you list any of the above **entity types** you are required to list the name, resident address, and if none, business address of all shareholders, directors, officers, members or managers
- A certificate of good standing is also required for the Entity Member
- An LLC can be signed by anyone as Organizer, the Member, the Attorney/Paralegal, If I prepare, I can sign (no conformed signatures)
- Minimum age requirement to sign is 18



Tips and  
Advice

# Requirement

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Any company which lists another entity as a Member or Manager are also required to provide a separate affidavit stating the following:

- All the current members
- Their home addresses
- Their license numbers

**Note:** This affidavit is required so that the information the Education Dept. has on record is accurate.



# Filing procedures for an attorney or group of attorneys

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- Simpler procedure
- No consent is required prior to the filing with New York State
- Same forms are used under Sections [1503](#) or [1203](#)
- Does not require the profession of Law stated in the title

# Filing procedures for an attorney or group of attorneys

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- An Appellate Good Standing certificate is required for each attorney listed on the filing from the Dept. in which they were admitted
- Once the certificate is filed with the state, we have to submit the certified copy to the Appellate Dept. of the county in which the corporation is located

# The Do's:

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# The Do's

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- Professional Corporations can use P.C. (must include the periods) or Professional Corporation spelled out
- Professional LLCs can use LLC, PLLC, Limited Liability Company or Professional Limited Liability Company (periods optional)



MAC LAW PLLC

# The Do's

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- If you are forming with a specialty in your title, always provide the credentials in that specialty, for e.g., board certification documentation in that specialty area. This applies to the professions of physical therapy, dentistry, medicine and veterinary medicine. ([Regulations of the Commissioner of Education, Part 59, Section 59.10](#)).
- Example: Obstetrics, Gynecology, Pediatrics, Psychiatry

# The Do's

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You must submit a letter of explanation for words used in your entity name that are:

- Initials
- Foreign words
- Surnames
- Abbreviations
- Words not commonly used in connection with the profession(s) being practiced

([Business Corporation Law, Article 15](#); [Regulations of the Commissioner of Education, Part 59, Section 59.10](#); [Board of Regents Rule 29.1](#)).

# The Do's

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- This letter must be on company letterhead or a letter from the law firm.
- There's no guarantee the Education Department will accept the word or abbreviation, depending on its meaning.



# The Don'ts

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# Prohibitive Words

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Words that imply superiority: ([Board of Regents Rule 29.1](#)).

- Advanced
- Best
- Exceptional
- Expert
- Outstanding
- Premier
- Special
- Super/Superior
- Ultimate



# The Don'ts: Body Wisdom Physical Therapy

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# The Don'ts: Body Wisdom Physical Therapy

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- You cannot use the word Wisdom. It implies superiority and they do not allow words that imply superiority.
- If you want to list massage therapy in the purpose as well as physical therapy, you have to add Massage to the title.
- If you don't want to add Massage to the title, you have to delete it from the purpose and Article Sixth, where you listed the license number.





# The Don'ts

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Words that imply a facility:

- Clinic
- Center
- Hospital as per [Article 28](#) of the Public Health Law
  - \*Exception for the use in the profession of Veterinary Medicine



# The Don'ts

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Other misleading words that are not allowed:

- Cure
- Healing
- International
- Management Co.
- National
- Network
- Partners
- Spa
- Solution



# The Don'ts

You cannot use words in the plural, if there is only 1 member as an owner: [Business Corporation Law, Article 15](#); [Regulations of the Commissioner of Education, Part 59, Section 59.10](#); [Board of Regents Rule 29.1](#)).

- Example: Bedford Medical Group PLLC, the LLC would need at least 2 members to make up the group
- 190 Physicians P.C. - the corp. would need at least 2 members to use associates
- Diane Damiano Medical Associates P.C. – at least 3 members



# Time to answer your questions



# Thank you for attending!

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- Both a copy of the slides and this recording will be emailed to you
- Please complete the survey that will also be sent





For more information on this subject or questions on other corporate filing matters feel free to contact

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