

96TH GENERAL ASSEMBLY State of Illinois 2009 and 2010 HB0055

Introduced 1/14/2009, by Rep. David Reis

SYNOPSIS AS INTRODUCED:

See Index

Amends the Property Tax Code, the Mobile Home Local Services Tax Enforcement Act, the Liquor Control Act of 1934, the Safety Deposit License Act, the Business Corporation Act of 1983, the Professional Service Corporation Act, the General Not For Profit Corporation Act of 1986, the Limited Liability Company Act, the Assumed Business Name Act, and the Home Repair and Remodeling Act. Provides that, beginning July 1, 2010, certificates of registration of assumed business names shall be filed with the Secretary of State, rather than with county clerks. Provides that county clerks shall accept certificates of registration of assumed business names, supplementary certificates, and proofs of publication for filing through June 30, 2010 and shall submit all certificates of registration of assumed business names, supplementary certificates, proofs of publication, indices, and other records concerning assumed business names to the Secretary of State in accordance with rules adopted by the Secretary of State. Provides that, beginning July 1, 2010, an assumed business name or the name of a corporation or limited liability company shall be distinguishable from any other assumed business name or the name of any other corporation or limited liability company adopted, reserved, or registered in accordance with specified laws. Does not prohibit the use of a name that was adopted, reserved, or registered before July 1, 2010 in accordance with the law in effect when it was adopted, reserved, or registered. Makes other changes. Effective July 1, 2009, except that certain provisions take effect July 1, 2010.

LRB096 02945 KTG 12959 b

FISCAL NOTE ACT MAY APPLY

STATE MANDATES ACT MAY REQUIRE REIMBURSEMENT 1 AN ACT concerning business.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Property Tax Code is amended by changing

 Sections 21-270 and 21-305 as follows:
- 6 (35 ILCS 200/21-270)

7 Sec. 21-270. Scavenger sale registration. No person, 8 except a unit of local government, shall be eligible to bid or 9 to receive a certificate of purchase who did not register with the county collector at least 5 business days in advance of the 10 first day of the sale under Section 21-260. The collector may 11 charge, for each registration, a fee of not more than \$50 in 12 counties with less than 3,000,000 inhabitants and not more than 13 14 \$100 in counties of 3,000,000 or more inhabitants. Registration shall be made upon such forms and according to such regulations 15 16 as the county collector deems necessary in order to effect 17 complete and accurate disclosure of the identity of all persons beneficially interested, directly or indirectly, in each sale 18 19 under Section 21-260. The information to be disclosed shall include, but not be limited to, the name, address and telephone 20 21 number of the purchaser to whom the clerk and collector will be 22 requested to issue a certificate of purchase; if the purchaser is a corporation, the place of incorporation and the names and 23

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addresses of its shareholders unless the corporation is publicly held; if the purchaser is a partnership, the names and addresses of all general and limited partners; if the purchaser is doing business under an assumed business name, the county where such name is registered and the names, addresses and telephone numbers of all persons having an ownership interest in the business; and the identity and location of any other tax delinquent property owned by the bidder and purchaser.

Every application for certificate of purchase and form for registration authorized and required by this Section and Section 21-275 shall be executed under penalty of perjury as though under oath or affirmation, but no acknowledgement is required.

- 14 (Source: P.A. 86-949; 87-669; 88-455.)
- 15 (35 ILCS 200/21-305)
- Sec. 21-305. Payments from Indemnity Fund.
- (a) Any owner of property sold under any provision of this

 Code who sustains loss or damage by reason of the issuance of a

 tax deed under Section 21-445 or 22-40 and who is barred or is

 in any way precluded from bringing an action for the recovery

 of the property shall have the right to indemnity for the loss

 or damage sustained, limited as follows:
- 23 (1) An owner who resided on property that contained 4 24 or less dwelling units on the last day of the period of 25 redemption and who is equitably entitled to compensation

for the loss or damage sustained has the right to indemnity. An equitable indemnity award shall be limited to the fair cash value of the property as of the date the tax deed was issued less any mortgages or liens on the property, and the award will not exceed \$99,000. The Court shall liberally construe this equitable entitlement standard to provide compensation wherever, in the discretion of the Court, the equities warrant the action.

An owner of a property that contained 4 or less dwelling units who requests an award in excess of \$99,000 must prove that the loss of his or her property was not attributable to his or her own fault or negligence before an award in excess of \$99,000 will be granted.

- (2) An owner who sustains the loss or damage of any property occasioned by reason of the issuance of a tax deed, without fault or negligence of his or her own, has the right to indemnity limited to the fair cash value of the property less any mortgages or liens on the property. In determining the existence of fault or negligence, the court shall consider whether the owner exercised ordinary reasonable diligence under all of the relevant circumstances.
- (3) In determining the fair cash value of property less any mortgages or liens on the property, the fair cash value shall be reduced by the principal amount of all taxes paid by the tax purchaser or his or her assignee before the

issuance of the tax deed.

- (4) If an award made under paragraph (1) or (2) is subject to a reduction by the amount of an outstanding mortgage or lien on the property, other than the principal amount of all taxes paid by the tax purchaser or his or her assignee before the issuance of the tax deed and the petitioner would be personally liable to the mortgagee or lienholder for all or part of that reduction amount, the court shall order an additional indemnity award to be paid directly to the mortgagee or lienholder sufficient to discharge the petitioner's personal liability. The court, in its discretion, may order the joinder of the mortgagee or lienholder as an additional party to the indemnity action.
- (b) Indemnity fund; subrogation.
- (1) Any person claiming indemnity hereunder shall petition the Court which ordered the tax deed to issue, shall name the County Treasurer, as Trustee of the indemnity fund, as defendant to the petition, and shall ask that judgment be entered against the County Treasurer, as Trustee, in the amount of the indemnity sought. The provisions of the Civil Practice Law shall apply to proceedings under the petition, except that neither the petitioner nor County Treasurer shall be entitled to trial by jury on the issues presented in the petition. The Court shall liberally construe this Section to provide

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compensation wherever in the discretion of the Court the equities warrant such action.

- (2) The County Treasurer, as Trustee of the indemnity fund, shall be subrogated to all parties in whose favor judgment may be rendered against him or her, and by third party complaint may bring in as a defendant any person, other than the tax deed grantee and its successors in title, not a party to the action who is or may be liable to him or her, as subrogee, for all or part of the petitioner's claim against him or her.
- (c) Any contract involving the proceeds of a judgment for indemnity under this Section, between the tax deed grantee or its successors in title and the indemnity petitioner or his or her successors, shall be in writing. In any action brought under Section 21-305, the Collector shall be entitled to discovery regarding, but not limited to, the following:
 - identity of all (1)the persons beneficially interested in the contract, directly or indirectly, including at least the following information: the names and addresses of any natural persons; the place incorporation of any corporation and the names and addresses of its shareholders unless it is publicly held; the names and addresses of all general and limited partners of any partnership; the names and addresses of all persons having an ownership interest in any entity doing business under an assumed name, and the county in which the assumed

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- business name is registered; and the nature and extent of the interest in the contract of each person identified;
 - (2) the time period during which the contract was negotiated and agreed upon, from the date of the first direct or indirect contact between any of the contracting parties to the date of its execution;
 - (3) the name and address of each natural person who took part in negotiating the contract, and the identity and relationship of the party that the person represented in the negotiations; and
- 11 (4) the existence of an agreement for payment of 12 attorney's fees by or on behalf of each party.
- Any information disclosed during discovery may be subject to protective order as deemed appropriate by the court. The terms of the contract shall not be used as evidence of value.
- 16 (Source: P.A. 91-564, eff. 8-14-99.)
- Section 10. The Mobile Home Local Services Tax Enforcement

 Act is amended by changing Sections 210 and 245 as follows:
- 19 (35 ILCS 516/210)
- Sec. 210. Scavenger sale registration. No person, except a unit of local government, shall be eligible to bid or to receive a certificate of purchase who did not register with the county collector at least 5 business days in advance of the first day of the sale under Section 200. The collector may

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charge, for each registration, a fee of not more than \$50 in counties with less than 3,000,000 inhabitants. Registration shall be made upon such forms and according to such regulations as the county collector deems necessary in order to effect complete and accurate disclosure of the identity of all persons beneficially interested, directly or indirectly, in each sale under Section 200. The information to be disclosed shall include, but not be limited to, the name, address, telephone number of the purchaser to whom the clerk and collector will be requested to issue a certificate of purchase; if the purchaser is a corporation, the place of incorporation and the names and addresses of its shareholders unless the publicly held; if the purchaser corporation is partnership, the names and addresses of all general and limited partners; if the purchaser is doing business under an assumed business name, the county where such name is registered and the names, addresses, and telephone numbers of all persons having an ownership interest in the business; and the identity and location of any other tax delinquent mobile home owned by the bidder and purchaser.

Every application for certificate of purchase and form for registration authorized and required by this Section and Section 215 shall be executed under penalty of perjury as though under oath or affirmation, but no acknowledgement is required.

26 (Source: P.A. 92-807, eff. 1-1-03.)

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(35 ILCS 516/245)

Sec. 245. Payments from Indemnity Fund.

- (a) Any owner of a mobile home sold under any provision of this Act who sustains loss or damage by reason of the issuance of a tax certificate of title under Section 360 or 400 and who is barred or is in any way precluded from bringing an action for the recovery of the mobile home shall have the right to indemnity for the loss or damage sustained, limited as follows:
 - (1) An owner who resided in a mobile home on the last day of the period of redemption and who is equitably entitled to compensation for the loss or damage sustained has the right to indemnity. An equitable indemnity award shall be limited to the fair cash value of the mobile home as of the date the tax certificate of title was issued less any liens on the mobile home, and the award will not exceed \$99,000. The court shall liberally construe this equitable entitlement standard to provide compensation wherever, in the discretion of the court, the equities warrant the action.

An owner of a mobile home who requests an award in excess of \$99,000 must prove that the loss of his or her mobile home was not attributable to his or her own fault or negligence before an award in excess of \$99,000 will be granted.

(2) An owner who sustains the loss or damage of any

mobile home occasioned by reason of the issuance of a tax certificate of title, without fault or negligence of his or her own, has the right to indemnity limited to the fair cash value of the mobile home less any liens on the mobile home. In determining the existence of fault or negligence, the court shall consider whether the owner exercised ordinary reasonable diligence under all of the relevant circumstances.

- (3) In determining the fair cash value of a mobile home less any liens on the mobile home, the fair cash value shall be reduced by the principal amount of all taxes paid by the tax purchaser or his or her assignee before the issuance of the tax certificate of title.
- (4) If an award made under paragraph (1) or (2) is subject to a reduction by the amount of an outstanding lien on the mobile home, other than the principal amount of all taxes paid by the tax purchaser or his or her assignee before the issuance of the tax certificate of title and the petitioner would be personally liable to the lienholder for all or part of that reduction amount, the court shall order an additional indemnity award to be paid directly to the lienholder sufficient to discharge the petitioner's personal liability. The court, in its discretion, may order the joinder of the lienholder as an additional party to the indemnity action.
- (b) Indemnity fund; subrogation.

- (1) Any person claiming indemnity hereunder shall petition the court which ordered the tax certificate of title to issue, shall name the county treasurer, as trustee of the indemnity fund, as defendant to the petition, and shall ask that judgment be entered against the county treasurer, as trustee, in the amount of the indemnity sought. The provisions of the Civil Practice Law shall apply to proceedings under the petition, except that neither the petitioner nor county treasurer shall be entitled to trial by jury on the issues presented in the petition. The court shall liberally construe this Section to provide compensation wherever in the discretion of the Court the equities warrant such action.
- (2) The county treasurer, as trustee of the indemnity fund, shall be subrogated to all parties in whose favor judgment may be rendered against him or her, and by third party complaint may bring in as a defendant any person, other than the tax certificate of title grantee and its successors in title, not a party to the action who is or may be liable to him or her, as subrogee, for all or part of the petitioner's claim against him or her.
- (c) Any contract involving the proceeds of a judgment for indemnity under this Section, between the tax certificate of title grantee or its successors in title and the indemnity petitioner or his or her successors, shall be in writing. In any action brought under this Section, the Collector shall be

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entitled to discovery regarding, but not limited to, the following:

- the identity of all persons beneficially (1)interested in the contract, directly or indirectly, including at least the following information: the names and addresses of any natural persons; the place incorporation of any corporation and the names and addresses of its shareholders unless it is publicly held; the names and addresses of all general and limited partners of any partnership; the names and addresses of all persons having an ownership interest in any entity doing business under an assumed name, and the county in which the assumed -name is registered; and the nature and extent of the interest in the contract of each person identified;
- (2) the time period during which the contract was negotiated and agreed upon, from the date of the first direct or indirect contact between any of the contracting parties to the date of its execution;
- (3) the name and address of each natural person who took part in negotiating the contract, and the identity and relationship of the party that the person represented in the negotiations; and
- (4) the existence of an agreement for payment of attorney's fees by or on behalf of each party.

Any information disclosed during discovery may be subject to protective order as deemed appropriate by the court. The

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- 1 terms of the contract shall not be used as evidence of value.
- 2 (Source: P.A. 92-807, eff. 1-1-03.)
- 3 Section 15. The Liquor Control Act of 1934 is amended by
- 4 changing Section 7-1 as follows:
- 5 (235 ILCS 5/7-1) (from Ch. 43, par. 145)
- 6 Sec. 7-1. An applicant for a retail license from the State
- 7 Commission shall submit to the State Commission an application
- 8 in writing under oath stating:
 - (1) The applicant's name and mailing address;
- 10 (2) The name and address of the applicant's business;
- 11 (3) If applicable, the date of the filing of the
 12 "assumed name" of the business with the County Clerk;
 - (4) In case of a copartnership, the date of the formation of the partnership; in the case of an Illinois corporation, the date of its incorporation; or in the case of a foreign corporation, the State where it was incorporated and the date of its becoming qualified under the Business Corporation Act of 1983 to transact business in the State of Illinois;
 - (5) The number, the date of issuance and the date of expiration of the applicant's current local retail liquor license:
- 23 (6) The name of the city, village, or county that 24 issued the local retail liquor license;

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reasons therefor;

1	(7) The name and address of the landlord if the
2	premises are leased;
3	(8) The date of the applicant's first request for a
4	State liquor license and whether it was granted, denied or
5	withdrawn;
6	(9) The address of the applicant when the first
7	application for a State liquor license was made;
8	(10) The applicant's current State liquor license
9	number;
10	(11) The date the applicant began liquor sales at his
11	place of business;
12	(12) The address of the applicant's warehouse if he
13	warehouses liquor;
14	(13) The applicant's Retailer's Occupation Tax (ROT)
15	Registration Number;
16	(14) The applicant's document locater number on his
17	Federal Special Tax Stamp;
18	(15) Whether the applicant is delinquent in the payment
19	of the Retailer's Occupational Tax (Sales Tax), and if so,
20	the reasons therefor;
21	(16) Whether the applicant is delinquent under the cash
22	beer law, and if so, the reasons therefor;
23	(17) In the case of a retailer, whether he is
24	delinquent under the 30 day credit law, and if so, the

(18) In the case of a distributor, whether he is

	delinquent	under	the	15	day	credit	law,	and	if	so,	the
2	reasons therefor;										

- (19) Whether the applicant has made an application for a liquor license which has been denied, and if so, the reasons therefor:
- (20) Whether the applicant has ever had any previous liquor license suspended or revoked, and if so, the reasons therefor;
- (21) Whether the applicant has ever been convicted of a gambling offense or felony, and if so, the particulars thereof;
- (22) Whether the applicant possesses a current Federal Wagering Stamp, and if so, the reasons therefor;
- (23) Whether the applicant, or any other person, directly in his place of business is a public official, and if so, the particulars thereof;
- (24) The applicant's name, sex, date of birth, social security number, position and percentage of ownership in the business; and the name, sex, date of birth, social security number, position and percentage of ownership in the business of every sole owner, partner, corporate officer, director, manager and any person who owns 5% or more of the shares of the applicant business entity; and
- (25) That he has not received or borrowed money or anything else of value, and that he will not receive or

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borrow money or anything else of value (other than merchandising credit in the ordinary course of business for a period not to exceed 90 days as herein expressly permitted under Section 6-5 hereof), directly or indirectly, from any manufacturer, importing distributor or distributor or from any representative of any such manufacturer, importing distributor or distributor, nor be a party in any way, directly or indirectly, to any violation by a manufacturer, distributor or importing distributor of Section 6-6 of this Act.

In addition to any other requirement of this Section, an applicant for a special use permit license and a special event retailer's license shall also submit (A) proof satisfactory to the Commission that the applicant has a resale number issued under Section 2c of the Retailer's Occupation Tax Act or that the applicant is registered under Section 2a of the Retailer's Occupation Tax Act, (B) proof satisfactory to the Commission current, valid that the applicant has а exemption identification number issued under Section 1g of the Retailers' Occupation Tax Act and a certification to the Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that the applicant is not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, and does not hold an exemption number under Section 1g of the Retailers' Occupation Tax Act.

- 1 The applicant shall also submit proof of adequate dram shop
- 2 insurance for the special event prior to being issued a
- 3 license.
- In addition to the foregoing information, such application
- 5 shall contain such other and further information as the State
- 6 Commission and the local commission may, by rule or regulation
- 7 not inconsistent with law, prescribe.
- 8 If the applicant reports a felony conviction as required
- 9 under paragraph (21) of this Section, such conviction may be
- 10 considered by the Commission in determining qualifications for
- licensing, but shall not operate as a bar to licensing.
- 12 If said application is made in behalf of a partnership,
- 13 firm, association, club or corporation, then the same shall be
- 14 signed by one member of such partnership or the president or
- 15 secretary of such corporation or an authorized agent of said
- 16 partnership or corporation.
- 17 All other applications shall be on forms prescribed by the
- 18 State Commission, and which may exclude any of the above
- 19 requirements which the State Commission rules to be
- 20 inapplicable.
- 21 (Source: P.A. 90-596, eff. 6-24-98; 91-357, eff. 7-29-99.)
- 22 Section 20. The Safety Deposit License Act is amended by
- 23 changing Section 6 as follows:
- 24 (240 ILCS 5/6) (from Ch. 17, par. 1456)

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- Sec. 6. If applicant is an unincorporated entity of any 1 2 type, a partnership or sole proprietorship, and the business 3 name or title used is such as to require registration of such name or title under the Assumed Business Name Act "An Act in 4 5 relation to the use of an assumed name and the conduct or 6 transaction of business in this State", approved July 17, 1941, 7 the date on of and the county in which the required filing was 8 effected shall be stated.
- 10 Section 25. The Business Corporation Act of 1983 is amended 11 by changing Section 4.05 as follows:
- (805 ILCS 5/4.05) (from Ch. 32, par. 4.05) 12

(Source: Laws 1945, p. 1711.)

- 13 Sec. 4.05. Corporate name of domestic or foreign 14 corporation.
- 15 (a) The corporate name of a domestic corporation or of a foreign corporation organized, existing or subject to the 16 17 provisions of this Act:
- (1) Shall contain, separate and apart from any other word or abbreviation in such name, the word "corporation", "company", "incorporated", or "limited", abbreviation of one of such words, and if the name of a foreign corporation does not contain, separate and apart 23 from any other word or abbreviation, one of such words or abbreviations, the corporation shall add at the end of its

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name, as a separate word or abbreviation, one of such words or an abbreviation of one of such words.

- (2) Shall not contain any word or phrase which indicates or implies that the corporation (i) is authorized empowered to conduct the business of insurance, assurance, indemnity, or the acceptance of deposits; (ii) is authorized or empowered to conduct the business of banking unless otherwise permitted by the Commissioner of Banks and Real Estate pursuant to Section 46 of the Illinois Banking Act; or (iii) is authorized or empowered to be in the business of a corporate fiduciary unless otherwise permitted by the Commissioner of Banks and Real Estate under Section 1-9 of the Corporate Fiduciary Act. The word "trust", "trustee", or "fiduciary" may be used by a corporation only if it has first complied with Section 1-9 of the Corporate Fiduciary Act. The word "bank", "banker" or "banking" may only be used by a corporation if it has first complied with Section 46 of the Illinois Banking Act.
- (3) Shall be distinguishable upon the records in the office of the Secretary of State from any assumed name registered under the Assumed Business Name Act, the name or assumed name of any domestic corporation or limited liability company organized under the Limited Liability Company Act, whether profit or not for profit, existing under any Act of this State or of the name or assumed name

of any foreign corporation or foreign limited liability company registered under the Limited Liability Company Act, whether profit or not for profit, authorized to transact business in this State, or a name the exclusive right to which is, at the time, reserved or registered in the manner provided in this Act or Section 1-15 of the Limited Liability Company Act, except that, subject to the discretion of the Secretary of State, a foreign corporation that has a name prohibited by this paragraph may be issued a certificate of authority to transact business in this State, if the foreign corporation:

- (i) Elects to adopt an assumed corporate name or names in accordance with Section 4.15 of this Act; and
- (ii) Agrees in its application for a certificate of authority to transact business in this State only under such assumed corporate name or names.
- (4) Shall contain the word "trust", if it be a domestic corporation organized for the purpose of accepting and executing trusts, shall contain the word "pawners", if it be a domestic corporation organized as a pawners' society, and shall contain the word "cooperative", if it be a domestic corporation organized as a cooperative association for pecuniary profit.
- (5) Shall not contain a word or phrase, or an abbreviation or derivation thereof, the use of which is prohibited or restricted by any other statute of this State

1 unless such restriction has been complied with.

- (6) Shall consist of letters of the English alphabet, Arabic or Roman numerals, or symbols capable of being readily reproduced by the office of the Secretary of State.
- (7) Shall be the name under which the corporation shall transact business in this State unless the corporation shall also elect to adopt an assumed corporate name or names as provided in this Act; provided, however, that the corporation may use any divisional designation or trade name without complying with the requirements of this Act, provided the corporation also clearly discloses its corporate name.
- (8) (Blank).
- (b) The Secretary of State shall determine whether a name is "distinguishable" from another name for purposes of this Act. Without excluding other names which may not constitute distinguishable names in this State, a name is not considered distinguishable, for purposes of this Act, solely because it contains one or more of the following:
 - (1) the word "corporation", "company", "incorporated", or "limited", "limited liability" or an abbreviation of one of such words;
 - (2) articles, conjunctions, contractions,abbreviations, different tenses or number of the same word;(c) Nothing in this Section or Sections 4.15 or 4.20 shall:
 - (1) Require any domestic corporation existing or any

- foreign corporation having a certificate of authority on the effective date of this Act, to modify or otherwise change its corporate name or assumed corporate name, if any.
- of unfair competition or unfair trade practices, nor derogate from the common law or principles of equity or the statutes of this State or of the United States with respect to the right to acquire and protect copyrights, trade names, trade marks, service names, service marks, or any other right to the exclusive use of names or symbols.
- (d) Nothing in this amendatory Act of the 96th General
 Assembly shall be construed to prohibit the use of a name that
 was adopted, reserved, or registered before July 1, 2010 in
 accordance with the law in effect when it was adopted,
 reserved, or registered.
- 17 (Source: P.A. 92-33, eff. 7-1-01.)
- Section 30. The Professional Service Corporation Act is amended by changing Section 9 as follows:
- 20 (805 ILCS 10/9) (from Ch. 32, par. 415-9)
- Sec. 9. A professional corporation shall adopt a name consisting of the full or last name of one or more of its shareholders; except that if not otherwise prohibited by law, rules of a regulating authority or the canons of ethics of the

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profession concerned, a professional corporation may adopt a fictitious name. If the corporation does adopt a fictitious name or continues to use the name of a deceased shareholder, the name of a member of a predecessor organization, it shall file with the county clerk of the county where its principal place of business is located, under the Assumed Business Name Act "An Act in relation to the use of an assumed name in the conduct or transaction of business in this State," approved July 17, 1941, as now or hereafter amended. It shall be permissible for a professional corporation to continue to use the name of a deceased shareholder for a period of one year after his death without recording the name of the corporation with the county clerk as hereinabove provided. A professional corporation may continue to use the name of a shareholder who voluntarily withdraws from the corporation if the withdrawing shareholder files with the regulating authority his written permission for the continued use of his name by the professional corporation. This permission shall remain in effect until written revocation has been received by the regulating authority from the former shareholder.

The corporate name shall end with the word "chartered" or "Limited" or the abbreviation "Ltd.", or with the words "Professional Corporation" or the abbreviation "Prof. Corp." or the initials "P. C.".

25 (Source: P.A. 81-1509.)

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- Section 35. The General Not For Profit Corporation Act of 1986 is amended by changing Section 104.05 as follows:
- 3 (805 ILCS 105/104.05) (from Ch. 32, par. 104.05)
- Sec. 104.05. Corporate name of domestic or foreign corporation.
- 6 (a) The corporate name of a domestic corporation or of a
 7 foreign corporation organized, existing or subject to the
 8 provisions of this Act:
 - (1) May contain, separate and apart from any other word or abbreviation in such name, the word "corporation," "company," "incorporated," or "limited," or an abbreviation of one of such words;
 - (2) Must end with the letters "NFP" if the corporate name contains any word or phrase which indicates or implies that the corporation is organized for any purpose other than a purpose for which corporations may be organized under this Act or a purpose other than a purpose set forth in the corporation's articles of incorporation;
 - the office of the Secretary of State from any assumed name registered under the Assumed Business Name Act, the name or assumed name of any domestic corporation or limited liability company organized under the Limited Liability Company Act, whether for profit or not for profit, existing under any Act of this State or the name or assumed name of

any foreign corporation or foreign limited liability company registered under the Limited Liability Company Act, whether for profit or not for profit, authorized to transact business or conduct affairs in this State, or a name the exclusive right to which is, at the time, reserved or registered in the manner provided in this Act or Section 1-15 of the Limited Liability Company Act, except that, subject to the discretion of the Secretary of State, a foreign corporation that has a name prohibited by this paragraph may be issued a certificate of authority to conduct its affairs in this State, if the foreign corporation:

- (i) Elects to adopt an assumed corporation name or names in accordance with Section 104.15 of this Act; and
- (ii) Agrees in its application for a certificate of authority to conduct affairs in this State only under such assumed corporate name or names;
- (4) Shall not contain a word or phrase, or an abbreviation or derivation thereof, the use of which is prohibited or restricted by any other statute of this State unless such restriction has been complied with;
- (5) Shall consist of letters of the English alphabet,
 Arabic or Roman numerals, or symbols capable of being
 readily reproduced by the office of the Secretary of State;
 - (6) Shall not contain the words "regular democrat,"

"regular democratic," "regular republican," "democrat,"
"democratic," or "republican," nor the name of any other
established political party, unless consent to usage of
such words or name is given to the corporation by the State
central committee of such established political party;
notwithstanding any other provisions of this Act, any
corporation, whose name at the time this amendatory Act
takes effect contains any of the words listed in this
paragraph shall certify to the Secretary of State no later
than January 1, 1989, that consent has been given by the
State central committee; consent given to a corporation by
the State central committee to use the above listed words
may be revoked upon notification to the corporation and the
Secretary of State; and

- (7) Shall be the name under which the corporation shall conduct affairs in this State unless the corporation shall also elect to adopt an assumed corporate name or names as provided in this Act; provided, however, that the corporation may use any divisional designation or trade name without complying with the requirements of this Act, provided the corporation also clearly discloses its corporate name.
- (b) The Secretary of State shall determine whether a name is "distinguishable" from another name for purposes of this Act. Without excluding other names which may not constitute distinguishable names in this State, a name is not considered

- distinguishable, for purposes of this Act, solely because it contains one or more of the following:
- 3 (1) The word "corporation," "company," "incorporated,"
 4 or "limited" or an abbreviation of one of such words;
 - (2) Articles, conjunctions, contractions, abbreviations, different tenses or number of the same word.
- 7 (c) Nothing in this Section or Sections 104.15 or 104.20 of 8 this Act shall:
 - (1) Require any domestic corporation existing or any foreign corporation having a certificate of authority on the effective date of this Act, to modify or otherwise change its corporate name or assumed corporate name, if any; or
 - (2) Abrogate or limit the common law or statutory law of unfair competition or unfair trade practices, nor derogate from the common law or principles of equity or the statutes of this State or of the United States with respect to the right to acquire and protect copyrights, trade names, trade marks, service names, service marks, or any other right to the exclusive use of name or symbols.
 - (d) Nothing in this amendatory Act of the 96th General Assembly shall be construed to prohibit the use of a name that was adopted, reserved, or registered before July 1, 2010 in accordance with the law in effect when it was adopted, reserved, or registered.
- 26 (Source: P.A. 92-33, eff. 7-1-01; revised 10-28-08.)

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- Section 40. The Limited Liability Company Act is amended by changing Section 1-10 as follows:
- 3 (805 ILCS 180/1-10)
- 4 Sec. 1-10. Limited liability company name.
- 5 (a) The name of each limited liability company as set forth 6 in its articles of organization:
 - (1) shall contain the terms "limited liability company", "L.L.C.", or "LLC";
 - (2) may not contain a word or phrase, or an abbreviation or derivation thereof, the use of which is prohibited or restricted by any other statute of this State unless the restriction has been complied with;
 - (3) shall consist of letters of the English alphabet,
 Arabic or Roman numerals, or symbols capable of being
 readily reproduced by the Office of the Secretary of State;
 - (4) shall not contain any of the following terms:
 "Corporation," "Corp.," "Incorporated," "Inc.," "Ltd.,"
 "Co.," "Limited Partnership" or "L.P.";
 - (5) shall be the name under which the limited liability company transacts business in this State unless the limited liability company also elects to adopt an assumed name or names as provided in this Act; provided, however, that the limited liability company may use any divisional designation or trade name without complying with the

requirements of this Act, provided the limited liability company also clearly discloses its name;

- (6) shall not contain any word or phrase that indicates or implies that the limited liability company is authorized or empowered to be in the business of a corporate fiduciary unless otherwise permitted by the Commissioner of the Office of Banks and Real Estate under Section 1-9 of the Corporate Fiduciary Act. The word "trust", "trustee", or "fiduciary" may be used by a limited liability company only if it has first complied with Section 1-9 of the Corporate Fiduciary Act; and
- (7) shall contain the word "trust", if it is a limited liability company organized for the purpose of accepting and executing trusts.
- (b) Nothing in this Section or Section 1-20 shall abrogate or limit the common law or statutory law of unfair competition or unfair trade practices, nor derogate from the common law or principles of equity or the statutes of this State or of the United States of America with respect to the right to acquire and protect copyrights, trade names, trademarks, service marks, service names, or any other right to the exclusive use of names or symbols.
 - (c) (Blank).
- 24 (d) The name shall be distinguishable upon the records in 25 the Office of the Secretary of State from all of the following:
 - (1) Any limited liability company that has articles of

- organization filed with the Secretary of State under Section 5-5.
 - (2) Any foreign limited liability company admitted to transact business in this State.
 - (3) Any name for which an exclusive right has been reserved in the Office of the Secretary of State under Section 1-15.
 - (4) Any assumed name that is registered with the Secretary of State under Section 1-20.
 - (5) Any corporate name or assumed corporate name of a domestic or foreign corporation subject to the provisions of Section 4.05 of the Business Corporation Act of 1983 or Section 104.05 of the General Not For Profit Corporation Act of 1986.

(6) Any assumed name registered under the Assumed Business Name Act.

- (e) The provisions of subsection (d) of this Section shall not apply if the organizer files with the Secretary of State a certified copy of a final decree of a court of competent jurisdiction establishing the prior right of the applicant to the use of that name in this State.
- (f) The Secretary of State shall determine whether a name is "distinguishable" from another name for the purposes of this Act. Without excluding other names that may not constitute distinguishable names in this State, a name is not considered distinguishable, for purposes of this Act, solely because it

- 1 contains one or more of the following:
- 2 (1) The word "limited", "liability" or "company" or an
- 3 abbreviation of one of those words.
- 4 (2) Articles, conjunctions, contractions,
- 5 abbreviations, or different tenses or number of the same
- 6 word.
- 7 (g) Nothing in this amendatory Act of the 96th General
- 8 Assembly shall be construed to prohibit the use of a name that
- 9 was adopted, reserved, or registered before July 1, 2010 in
- 10 <u>accordance</u> with the law in effect when it was adopted,
- 11 reserved, or registered.
- 12 (Source: P.A. 92-33, eff. 7-1-01; 93-59, eff. 7-1-03.)
- 13 Section 45. The Assumed Business Name Act is amended by
- 14 changing Sections 1, 3, 3a, and 4 and by adding Section 3c as
- 15 follows:
- 16 (805 ILCS 405/1) (from Ch. 96, par. 4)
- 17 Sec. 1. Certificate; misrepresentation.
- 18 (a) No person or persons shall conduct or transact business
- in this State under an assumed name, or under any designation,
- 20 name or style, corporate or otherwise, other than the real name
- 21 or names of the individual or individuals conducting or
- transacting such business, unless such person or persons shall
- 23 file in the office of the Secretary of State County Clerk of
- 24 the County in which such person or persons conduct or transact

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or intend to conduct or transact such business, a certificate setting forth the name under which the business is, or is to be, conducted or transacted, and the true or real full name or names of the person or persons owning, conducting or transacting the same, with the post office address or addresses of such person or persons and every address where such business is, or is to be, conducted or transacted in the county. The certificate shall be executed and duly acknowledged by the person or persons so conducting or intending to conduct the business.

(b) The assumed name shall be distinguishable upon the records in the office of the Secretary of State from any other assumed name registered under this Act, the name or assumed name of any domestic corporation or limited liability company organized under the Limited Liability Company Act, whether profit or not for profit, existing under any Act of this State or of the name or assumed name of any foreign corporation or foreign limited liability company registered under the Limited Liability Company Act, whether profit or not for profit, authorized to transact business in this State, or a name the exclusive right to which is, at the time, reserved or registered in the manner provided in this Act or Section 1-15 of the Limited Liability Company Act. The Secretary of State shall determine whether a name is distinguishable from another name for purposes of this Act. If the Secretary of State <u>determines that a name</u> is not distinguishable from another

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2 the certificate, and the certificate shall be declared void.

However, nothing in this subsection (b) shall be construed to

invalidate a certificate that was filed before July 1, 2010 in

accordance with the law in effect at the time it was filed and

nothing in this subsection (b) shall be construed to prohibit

the use of an assumed name under a certificate that was filed

before July 1, 2010 in accordance with the law in effect at the

9 <u>time it was filed.</u>

(c) Notice of the filing of such certificate shall be published in a newspaper of general circulation published within the county in which the business is, or is to be, conducted or transacted certificate is filed. Such notice shall be published once a week for 3 consecutive weeks. The first publication shall be within 15 days after the certificate is filed in the office of the Secretary of State County Clerk. Proof of publication shall be filed with the Secretary of State County Clerk within 50 days from the date of filing the certificate. Upon receiving proof of publication, the Secretary of State clerk shall issue a receipt to the person filing such certificate but no additional charge shall be assessed by the Secretary of State clerk for giving such receipt. Unless proof of publication is made to the Secretary of State clerk, the certificate of registration of the assumed name is void.

(d) If any person changes his name or his residence address

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assumed name.

or the address of any place of business in the county where such assumed name is being employed after filing a certificate, if the name of a person is added to any business organization for which a certificate is on file, such person shall file an additional, duly acknowledged certificate in the office of the Secretary of State County Clerk of the county in which such person transacts business under an assumed name. The certificate shall set out the change or addition as the case may be. Such certificate shall also set out the post office address of the person. If any business organization for which such certificate has been filed in any county of this State shall remove its place of business to another county in this State or shall establish an additional location for doing business in another county of this State, an additional a certificate shall be filed in the office of the Secretary of State County Clerk of such other county and notice of the filing of such certificate of a change or addition of a name shall be published and proof of publication made pursuant to the provisions of this section in the same manner as provided for original certificates to do business under an

(e) A foreign person or foreign entity may not use an assumed or fictitious name in the conduct of its business to intentionally misrepresent the origin or location of the person or entity.

(Source: P.A. 91-906, eff. 1-1-01.)

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(805 ILCS 405/3) (from Ch. 96, par. 6) 1

Sec. 3. The Secretary of State several County Clerks of this State shall keep an alphabetical index of all persons filing certificates pursuant to Sections 1 and 2, and for the indexing and filing of such certificate shall receive a fee of \$5.00. A copy of such certificate and receipt for proof of publication, duly certified to by the Secretary of State County Clerk in whose office the certificate is filed, shall be presumptive evidence in all courts of law in this State of the facts therein contained.

11 (Source: P.A. 85-186.)

12 (805 ILCS 405/3a) (from Ch. 96, par. 6a)

> Sec. 3a. Any person who has executed and filed the certificate required by Section 1 or 2 of this Act and who wishes to withdraw his name from the business organization shall have the certificate cancelled in whole or in part by filing in the office of the Secretary of State County Clerk where the certificate is filed, a supplementary certificate under oath, showing that such person or persons have ceased doing business under the assumed name, or that the person or persons executing the supplementary certificate have further connection with or financial interest in the business carried on under such assumed name; whereupon the Secretary of State County Clerk shall note opposite the trade name

theretofore registered, the word "cancelled" and the date of cancellation, or, in the case of withdrawal only of one or more but less than all of the registrants, the <u>Secretary of State elerk</u> shall note the word "Withdrawn" after the name of each party filing the supplementary certificate indicating the withdrawal, together with the date of such withdrawal. When such withdrawal effectuates any change in or transfer of the ownership of 25% or more of the total ownership interest in any such business organization doing business under an assumed name, then notice of the filing of such certificate shall be published.

For filing a certificate noting the cancellation or withdrawal of one or more names, the <u>Secretary of State</u> County Clerk shall receive a fee of \$1.50.

Where a person files a certificate pursuant to Section 1 or 2 setting out a change of his name, or that his name is an addition to an organization doing business under an assumed name which has previously been registered, the <u>Secretary of State County Clerk</u> shall note on the index of such person's name the word "changed" or "addition" as the case may be.

21 (Source: Laws 1963, p. 2997.)

22 (805 ILCS 405/3c new)

Sec. 3c. Transition. County clerks shall accept certificates, supplementary certificates, and proofs of publication for filing under this Act through June 30, 2010.

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Each county clerk shall submit all certificates, supplementary 1 2 certificates, and proofs of publication filed with the county clerk under this Act, together with all indices maintained by 3 the county clerk under this Act and such other records that the 4 5 Secretary of State may specify. The Secretary of State shall adopt rules specifying the form, manner, and time of submission 6 of the certificates, supplementary certificates, proofs of 7 8 publication, indices, and other records. Copies of 9 certificates, supplementary certificates, proofs of publication, indices, and other records shall be made so that 10 11 county clerks may continue to perform their duties under this 12 Act through June 30, 2010. The Secretary of State shall have a statewide system of filing and indexing of certificates in 13 operation beginning July 1, 2010. 14

15 (805 ILCS 405/4) (from Ch. 96, par. 7)

Sec. 4. Except as otherwise provided by law, this This Act shall in no way affect or apply to any corporation, limited liability company, limited partnership, or limited liability partnership duly organized under the laws of this State, or any corporation, limited liability company, limited partnership, or limited liability partnership organized under the laws of any other State and lawfully doing business in this State, nor shall this Act be deemed or construed to prevent the lawful use of a partnership name or designation, provided that such partnership shall include the true, real name of such person or

persons transacting said business or partnership nor shall it 1 2 be construed as in any way affecting Sections 17-12 and 17-19 of the Criminal Code of 1961 220 and 220a of Division I of "An 3 Act to revise the law in relation to criminal jurisprudence", 4 approved March 27, 1874, as amended. This Act shall in no way 5 affect or apply to testamentary or other express trusts where 6 7 the business is carried on in the name of the trust and such trust is created by will or other instrument in writing under 8 9 which title to the trust property is vested in a designated 10 trustee or trustees for the use and benefit of the cestuis que 11 trustent.

- 12 (Source: P.A. 90-421, eff. 1-1-98; revised 10-23-08.)
- Section 50. The Home Repair and Remodeling Act is amended by changing Section 20 as follows:
- 15 (815 ILCS 513/20)
- 16 Sec. 20. Consumer rights brochure.
- 17 (a) For any contract over \$1,000, any person engaging in the business of home repair and remodeling shall provide to its 18 19 customers a copy of the "Home Repair: Know Your Consumer 20 Rights" pamphlet prior to the execution of any home repair and 21 remodeling contract. The consumer shall sign and date an acknowledgment form entitled "Consumer Rights Acknowledgment 22 23 Form" that states: "I, the homeowner, have received from the 24 contractor a copy of the pamphlet entitled 'Home Repair: Know

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- Consumer Rights.'" 1 The contractor or his her representative shall also sign and date the acknowledgment 2 form, which includes the name and address of the home repair 3 and remodeling business. The acknowledgment form shall be in 4 5 duplicate and incorporated into the pamphlet. The original 6 acknowledgment form shall be retained by the contractor and the 7 duplicate copy shall be retained within the pamphlet by the 8 consumer.
 - (b) For any contract for \$1,000 or under, any person engaging in the business of home repair and remodeling shall provide to its customers a copy of the "Home Repair: Know Your Consumer Rights" pamphlet. No written acknowledgment of receipt of the pamphlet is required for a contract of \$1,000 or under.
- 15 (c) The pamphlet must be a separate document, in at least
 16 12 point type, and in legible ink. The pamphlet shall read as
 17 follows:

18 "HOME REPAIR: KNOW YOUR CONSUMER RIGHTS

As you plan for your home repair/improvement project, it is important to ask the right questions in order to protect your investment. The tips in this fact sheet should allow you to protect yourself and minimize the possibility that a misunderstanding may occur.

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AVOIDING HOME REPAIR FRAUD

- Please use extreme caution when confronted with the following warning signs of a potential scam:
- 4 (1) Door-to-door salespersons with no local connections 5 who offer to do home repair work for substantially less than 6 the market price.
- 7 (2) Solicitations for repair work from a company that lists 8 only a telephone number or a post-office box number to contact, 9 particularly if it is an out-of-state company.
 - (3) Contractors who fail to provide customers references when requested.
 - (4) Persons offering to inspect your home for free. Do not admit anyone into your home unless he or she can present authentic identification establishing his or her business status. When in doubt, do not hesitate to call the worker's employer to verify his or her identity.
 - (5) Contractors demanding cash payment for a job or who ask you to make a check payable to a person other than the owner or company name.
- 20 (6) Offers from a contractor to drive you to the bank to withdraw funds to pay for the work.

22 CONTRACTS

(1) Get all estimates in writing.

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- 1 (2) Do not be induced into signing a contract by high-pressure sales tactics.
- 3 (3) Never sign a contract with blank spaces or one you do
 4 not fully understand. If you are taking out a loan to finance
 5 the work, do not sign the contract before your lender approves
 6 the loan.
 - (4) Remember, you have 3 business days from the time you sign your contract to cancel any contract if the sale is made at your home. The contractor cannot deprive you of this right by initiating work, selling your contract to a lender, or any other tactic.
 - (5) If the contractor does business under a name other than the contractor's real name, the business must either be incorporated or registered under the Assumed Business Name Act. Check with the Secretary of State to see if the business is incorporated or with the county clerk to see if the business has registered under the Assumed Business Name Act.
 - (6) Homeowners should check with local and county units of government to determine if permits or inspections are required.
- 20 (7) Determine whether the contractor will guarantee his or 21 her work and products.
- 22 (8) Determine whether the contractor has the proper insurance.
- 24 (9) Do not sign a certificate of completion or make final 25 payment until the work is done to your satisfaction.
- 26 (10) Remember, homeowners should know who provides

- 1 supplies and labor for any work performed on your home.
- 2 Suppliers and subcontractors have a right to file a lien
- 3 against your property if the general contractor fails to pay
- 4 them. To protect your property, request lien waivers from the
- 5 general contractor.

BASIC TERMS TO BE INCLUDED IN A CONTRACT

- 7 (1) Contractor's full name, address, and telephone number.
- 8 Illinois law requires that persons selling home repair and
- 9 improvement services provide their customers with notice of any
- 10 change to their business name or address that comes about prior
- 11 to the agreed dates for beginning or completing the work.
- 12 (2) A description of the work to be performed.
- 13 (3) Starting and estimated completion dates.
- 14 (4) Total cost of work to be performed.
- 15 (5) Schedule and method of payment, including down payment,
- subsequent payments, and final payment.
- 17 (6) A provision stating the grounds for termination of the
- 18 contract by either party. However, the homeowner must pay the
- 19 contractor for work completed. If the contractor fails to
- 20 commence or complete work within the contracted time period,
- 21 the homeowner may cancel and may be entitled to a refund of any
- down payment or other payments made towards the work, upon
- 23 written demand by certified mail.
- Homeowners should obtain a copy of the signed contract and

- HB0055
- 1 keep it in a safe place for reference as needed.
- 2 IF YOU THINK YOU HAVE BEEN DEFRAUDED OR YOU HAVE QUESTIONS
- If you think you have been defrauded by a contractor or
- 4 have any questions, please bring it to the attention of your
- 5 State's Attorney or the Illinois Attorney General's Office.
- 6 Attorney General Toll-Free Numbers
- 7 Carbondale (800) 243-0607
- 8 Springfield (800) 243-0618
- 9 Chicago (800) 386-5438".
- 10 (Source: P.A. 91-230, eff. 1-1-00.)
- 11 Section 99. Effective date. This Act takes effect July 1,
- 12 2009, except that the provisions adding Section 3c to the
- 13 Assumed Business Name Act take effect July 1, 2010.

- 43 - LRB096 02945 KTG 12959 b

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8	240 ILCS 5/6 from Ch. 17, par. 1456
9	805 ILCS 5/4.05 from Ch. 32, par. 4.05
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