

Choosing a Business Name: Legal Considerations

Choosing a good business name is an important step in building your new business. Ideally, the name is unique, memorable, and conveys the general nature of your business. If you are registering your business entity with the state, you must also consider the legal requirements in choosing a name. The information below outlines some of the legal requirements for corporation and LLC business names in New York.

Step 1:

See if the name is available

In New York State, the business name of your corporation or LLC must be “distinguishable” from existing business names. To determine whether the name you want to use is available, visit the New York Department of State’s [Corporation and Business Entity Database](#) and conduct a search.

If the name you want to use (or something very similar) is already registered as a business in the state, you will need to come up with a new name. If the name you want to use does not appear to be taken, you should not assume that it will be approved by the Department of State.

Step 2:

Check restrictions in state law

New York law restricts and prohibits the use of certain words in business names. Refer to [this chart](#) to see whether a word you want to use is restricted or prohibited. The rules vary depending on the type of entity you are trying to create.

Corporations have an additional restriction: the name cannot “mislead the public into believing that the corporation is an agency or instrumentality of the United States or the state of New York or a subdivision thereof or is a public corporation.” For example, your name may not be approved if it has “NYC” in it because customers might think the company is part of the New York City government.

Step 3:

Include designation of entity type

Finally, you must remember to include the designation of the entity type in the business name.

For corporations, that means you must include “corporation,” “incorporated,” or “limited” in the business name. You can also use an abbreviation of any of those words (“corp” or “ltd”).

For LLCs, all you have to do is add “LLC” to the end of the business name.

Once you’ve chosen your business name, you might consider reserving it with the Department of State while you complete the other requirements to registering your business entity. You can reserve your name for 60 days by filing an Application for Reservation of Name and paying a filing fee of \$20. Instructions for corporations can be found [here](#), and for LLCs [here](#).

Following these steps will help make for a smoother registration process, but there are many other factors to consider when incorporating or forming an LLC. For further assistance, you can contact the [Neighborhood Entrepreneur Law Project](#).

This resource is provided for informational purposes only and does not cover all of the issues that could arise when choosing a business name. For more information, contact an attorney.