

By the Committee on Judiciary and Senator Saunders

308-1889-00

1                                   A bill to be entitled  
2           An act relating to business entities; amending  
3           ss. 607.11101, 608.4383, 620.204, 620.8906,  
4           F.S.; deleting requirement that a deed be  
5           recorded in order to transfer title to real  
6           property incident to merger; amending s.  
7           608.406, F.S.; clarifying application of  
8           limited liability company name requirements to  
9           a fictitious name; amending s. 620.8904, F.S.;  
10          deleting requirement that a deed be recorded in  
11          order to transfer title to real property  
12          incident to conversion of a partnership or a  
13          limited partnership; creating s. 694.16, F.S.,  
14          relating to conveyances incident to the merger  
15          or conversion of a business entity; providing a  
16          directive to the Division of Statutory  
17          Revision; providing an effective date.

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19 Be It Enacted by the Legislature of the State of Florida:  
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21           Section 1. Subsection (2) of section 607.11101,  
22 Florida Statutes, is amended to read:  
23           607.11101 Effect of merger of domestic corporation and  
24 other business entity.--When a merger becomes effective:  
25           (2) The title to all real estate and other property,  
26 ~~other than real property~~ or any interest therein, owned by  
27 each domestic corporation and other business entity that is a  
28 party to the merger is vested in the surviving entity without  
29 reversion or impairment. ~~Title to real property or any~~  
30 ~~interest therein shall be conveyed by the recordation of a~~  
31 ~~deed with payment of applicable taxes thereon.~~

1           Section 2. Subsection (3) is added to section 608.406,  
2 Florida Statutes, to read:

3           608.406 Limited liability company name.--

4           (3) The provisions of paragraph (1)(a) do not apply to  
5 a fictitious name registered pursuant to s. 865.09.

6           Section 3. Subsection (2) of section 608.4383, Florida  
7 Statutes, is amended to read:

8           608.4383 Effect of merger.--When a merger becomes  
9 effective:

10           (2) The title to all real estate and other property,  
11 ~~other than real property~~ or any interest therein, owned by  
12 each domestic limited liability company ~~corporation~~ and other  
13 business entity that is a party to the merger is vested in the  
14 surviving entity without reversion or impairment. ~~Title to~~  
15 ~~real property or any interest therein shall be conveyed by the~~  
16 ~~recordation of a deed with payment of applicable taxes~~  
17 ~~thereon.~~

18           Section 4. Paragraph (b) of subsection (1) of section  
19 620.204, Florida Statutes, is amended to read:

20           620.204 Effect of merger.--

21           (1) When a merger becomes effective:

22           (b) The title to all real estate and other property,  
23 ~~other than real property~~ or any interest therein, owned by  
24 each domestic limited partnership ~~corporation~~ and other  
25 business entity that is a party to the merger is vested in the  
26 surviving entity without reversion or impairment. ~~Title to~~  
27 ~~real property or any interest therein shall be conveyed by the~~  
28 ~~recordation of a deed with payment of applicable taxes~~  
29 ~~thereon.~~

30           Section 5. Subsection (2) of section 620.8904, Florida  
31 Statutes, is amended to read:

1           620.8904 Effect of conversion; entity unchanged.--

2           (2) When a conversion takes effect:

3           (a) Title to all real estate and other ~~personal~~  
4 property owned by the converting partnership or limited  
5 partnership is ~~remains~~ vested in the converted entity without  
6 reversion or impairment. ~~Title to all real property owned by~~  
7 ~~the converting partnership or limited partnership shall be~~  
8 ~~transferred by deed to the converted entity; and~~

9           (b) All liabilities and obligations of the converting  
10 partnership or limited partnership continue as liabilities and  
11 obligations of the converted entity.

12           Section 6. Subsection (1) of section 620.8906, Florida  
13 Statutes, is amended to read:

14           620.8906 Effect of merger.--

15           (1) When a merger takes effect:

16           (a) The separate existence of every partnership or  
17 limited partnership which is a party to the merger, other than  
18 the surviving entity, ceases;

19           (b) Title to all real estate and other ~~personal~~  
20 property, or any interest therein, owned by each of the  
21 domestic merged partnerships or limited partnerships vests in  
22 the surviving entity without reversion or impairment. ~~Title~~  
23 ~~to all real property owned by each of the merged partnerships~~  
24 ~~or limited partnerships shall be transferred by deed to the~~  
25 ~~surviving entity;~~

26           (c) All liabilities and obligations of each  
27 partnership or limited partnership which is a party to the  
28 merger become the liabilities and obligations of the surviving  
29 entity;

30           (d) A claim existing or action or proceeding pending  
31 by or against a partnership or limited partnership which is a

1 party to the merger may be continued as if the merger had not  
2 occurred, or the surviving entity may be substituted as a  
3 party to the action or proceeding;

4 (e) Neither the rights of creditors of a converting  
5 partnership or limited partnership nor any liens upon the  
6 property of any party to the merger are impaired by such  
7 merger; and

8 (f) Each partner of a party to the merger is entitled  
9 only to the rights provided in the plan of merger.

10 Section 7. Section 694.16, Florida Statutes, is  
11 created to read:

12 694.16 Conveyances by merger or conversion of business  
13 entities.--As to any merger or conversion of business entities  
14 prior to the effective date of this act, the title to all real  
15 estate, or any interest therein, owned by a business entity  
16 that was a party to a merger or a conversion is vested in the  
17 surviving entity without reversion or impairment,  
18 notwithstanding the requirement of a deed which was previously  
19 required by s. 607.11101, s. 608.4383, s. 620.204, s.  
20 620.8904, or s. 620.8906.

21 Section 8. In the next addition of the official  
22 Florida Statutes, the Division of Statutory Revision is  
23 directed to replace the phrase "the effective date of this  
24 act" in section 694.16, Florida Statutes, with the date on  
25 which this act takes effect.

26 Section 9. This act shall take effect upon becoming a  
27 law.

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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
COMMITTEE SUBSTITUTE FOR  
SB 2190

A new section is added to the bill which amends s. 608.406, F.S. Subsection (3) provides that the provisions of subsection (1)(a) of s. 608.406, F.S., shall not apply to a fictitious name registered with the Division of Corporations of the Department of State pursuant to s. 865.09, F.S. Accordingly, limited liability companies whose names have been registered under the Fictitious Name Act do not have to include the words, abbreviations, or designations required by s. 608.406(1)(a), F.S., in their company names.