August 11, 1999

Mr. Donn G. Scott
McAbee Scott & Company
801 West Garden Street
Pensacola Fl 32501

Dear Mr. Scott:

At a meeting on August 4, 1999, the Board of Accountancy considered your request for an opinion regarding 61H1-26.001 – Form of Practice and Name.

The situation described in your letter is as follows:

> Two certified public accountants were practicing in the form of partnership with both partners' names included in the firm name with the use of the term "and company" at the end of the firm name (e.g. Smith, Jones and Company). Initially, this partnership had one (1) other CPA employed by this firm. Subsequently, this employee was terminated. A couple of years later, one of the partners purchased the other partner's interest in the firm's assets. The partnership was dissolved and a corporation was formed to operate the successor entity. This corporation was 100% owned by one stockholder, who was the CPA employed by this firm. The partner who sold his interest has retired and his license is inactive.

Please keep in mind that this opinion is based on the assumption that the 100% stockholder of the corporation was one of the partners in the predecessor firm. If this assumption is incorrect then the answers may change.

It was the Board's opinion that the new corporation could operate using the d.b.a. that contained the name of a previous owner if that owner currently has an ownership interest in the corporation or had an ownership interest in either the present firm or the predecessor firm and is now retired. The incorporated entity could not use the term "and company".

This is based on the fact that the rule relating to firms in the same line of succession was written

have not determined whether any aspects of these transactions run afoul of any law or rule other than those specifically mentioned herein.

Sincerely,

DIVISION OF CERTIFIED PUBLIC ACCOUNTING

BY:_____
      Martha P. Willis
      Division Director

MPW/jc