
By: **Delegate Bates**

Rules suspended

Introduced and read first time: March 10, 2005

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Corporations and Associations - Filing Fees - Family Farms**

3 FOR the purpose of altering a certain fee collected by the State Department of
4 Assessments and Taxation for the filing of an annual report by a certain family
5 farm; requiring an individual to file a charter amendment for a certain family
6 farm under certain circumstances; defining a certain term; making technical
7 changes; and generally relating to filing fees imposed on corporations and other
8 entities.

9 BY repealing and reenacting, without amendments,
10 Article - Corporations and Associations
11 Section 1-203(a)
12 Annotated Code of Maryland
13 (1999 Replacement Volume and 2004 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article - Corporations and Associations
16 Section 1-203(b)(3)(ii)
17 Annotated Code of Maryland
18 (1999 Replacement Volume and 2004 Supplement)

19 BY adding to
20 Article - Corporations and Associations
21 Section 1-209
22 Annotated Code of Maryland
23 (1999 Replacement Volume and 2004 Supplement)

24 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
25 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Corporations and Associations**

2 1-203.

3 (a) In addition to any organization and capitalization fee required under §
4 1-204 of this article, subject to subsection (c) of this section, the Department shall
5 collect the fees specified in subsection (b) of this section.

6 (b) (3) (ii) For each of the following documents which are filed but not
7 recorded, the filing fee is as indicated:

8 Annual report of a Maryland corporation, except a charitable or benevolent
9 institution, nonstock corporation, savings and loan corporation, credit
10 union, FAMILY FARM, and banking institution \$300

11 Annual report of a foreign corporation subject to the jurisdiction of this
12 State, except a national banking association, savings and loan
13 association, credit union, nonstock corporation, and charitable and
14 benevolent institution \$300

15 Annual report of a Maryland savings and loan association, banking
16 institution, or credit union or of a foreign savings and loan association,
17 national banking association, or credit union that is subject to the
18 jurisdiction of this State \$300

19 Annual report of a Maryland limited liability company, limited liability
20 partnership, limited partnership, or of a foreign limited liability company,
21 foreign limited liability partnership, or foreign limited partnership,
22 EXCEPT A FAMILY FARM \$300

23 Annual report of a business trust \$300

24 Annual report of a real estate investment trust doing business in this State \$300

25 ANNUAL REPORT OF A FAMILY FARM \$100

26 1-209.

27 (A) IN THIS SECTION, "FAMILY FARM" MEANS AN ENTITY THAT:

28 (1) IS A DOMESTIC ENTITY;

29 (2) (I) 1. OWNS, OR WITHIN 1 YEAR AFTER FILING ARTICLES OF
30 INCORPORATION, ARTICLES OF ORGANIZATION, OR A CERTIFICATE OF
31 PARTNERSHIP, WILL OWN OR TAKE CONTROL OF PROPERTY THAT QUALIFIES FOR
32 AGRICULTURAL USE ASSESSMENT UNDER § 8-209 OF THE TAX - PROPERTY ARTICLE;
33 AND

34 2. OWNS ONLY AGRICULTURALLY OR RESIDENTIALLY
35 ASSESSED REAL PROPERTY AND PERSONAL PROPERTY THAT IS USED FOR
36 AGRICULTURAL PURPOSES; OR

1 (II) OWNS ONLY PERSONAL PROPERTY THAT IS USED FOR
2 AGRICULTURAL OR AGRICULTURAL MARKETING PURPOSES;

3 (3) IS CONTROLLED, MANAGED, AND OPERATED BY:

4 (I) ONE INDIVIDUAL WHO HAS AN EQUITY INTEREST IN THE
5 ENTITY; OR

6 (II) TWO OR MORE INDIVIDUALS WHO HAVE AN EQUITY INTEREST
7 IN THE ENTITY AND WHO SHARE ITS ASSETS AND EARNINGS;

8 (4) IS DECLARED IN A CHARTER PROVISION TO BE A FAMILY FARM; AND

9 (5) HAS NO ASSETS OTHER THAN THOSE DESCRIBED IN ITEM (2) OF THIS
10 SUBSECTION.

11 (B) WITHIN 1 YEAR AFTER SELLING ALL OF THE PROPERTY DESCRIBED IN
12 SUBSECTION (A)(2) OF THIS SECTION, AN INDIVIDUAL SHALL FILE A CHARTER
13 AMENDMENT STATING THAT THE ENTITY IS NO LONGER A FAMILY FARM.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 October 1, 2005.