

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 1107 (Delegate Frank)
Economic Matters

Corporations and Real Estate Investment Trusts - Charter Documents and Mergers

This bill affects the content and form of charters, filings, and mergers for corporations and real estate investment trusts. The bill (1) clarifies the ability of a corporation and a real estate investment trust to restrict the transferability of stock shares or beneficial interest; (2) provides a procedure for a real estate investment trust to restate and amend its declaration of trust; (3) provides for a corporation to provide in its charter any provision designed to permit the corporation to qualify as a real estate investment trust or investment company; (4) permits a corporation or real estate investment trust to merge with subsidiaries under certain circumstances; and (5) increases the percentage of the number of stock shares or beneficial interest issued by a successor in a merger pursuant to the approval of the merger by the successor's board of directors.

Fiscal Summary

State Effect: None. This bill would not directly affect governmental finances.

Local Effect: None.

Small Business Effect: Minimal effect on small business corporations and real estate investment trusts.

Information Sources: Department of Assessments and Taxation, Department of Fiscal Services

Fiscal Note History: First Reader - March 10, 1997

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