
By: **Chairman, Economic Matters Committee (Departmental - Assessments
and Taxation)**

Introduced and read first time: January 18, 1999

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Corporations - Dissolution - Filing Requirements**

3 FOR the purpose of repealing the requirement that a domestic corporation file
4 certifications that it has paid certain taxes and other obligations before filing
5 articles of dissolution; requiring that certain reports be filed before articles of
6 dissolution may be filed; repealing the requirement that a foreign corporation
7 must file certifications that it has paid all taxes before terminating its
8 registration or qualification; and requiring that certain reports be filed before a
9 certificate of termination of registration or qualification may be issued.

10 BY repealing and reenacting, with amendments,
11 Article - Corporations and Associations
12 Section 3-407 and 7-208
13 Annotated Code of Maryland
14 (1993 Replacement Volume and 1998 Supplement)

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

17 **Article - Corporations and Associations**

18 3-407.

19 (a) The corporation shall file articles of dissolution for record with the
20 Department:

21 (1) If there are any known creditors of the corporation, after the 19th day
22 following the mailing of notice to them; or

23 (2) If there are no known creditors, at any time.

24 (b) [(1)] On written request of the corporation, the Department shall furnish
25 without charge a list of all collectors of taxes of counties and municipalities to which
26 the Department has certified an assessment of personal property taxable to the
27 corporation within the preceding four years.

1 [(2) A collector of taxes may not certify the payment of taxes until he has
2 received from the Department certified assessments of personal property after the
3 preceding date of finality and the taxes have been billed at the current year's rate.
4 However, a certificate based on a satisfactory provision for payment may be made
5 before then.]

6 (c) The Department may not accept articles of dissolution of a corporation for
7 record unless THE REPORTS REQUIRED BY TITLE 11 OF THE TAX - PROPERTY ARTICLE
8 HAVE BEEN FILED[:].

9 [(1) All taxes not barred by limitations and payable by the corporation to
10 the Department, including personal property taxes payable as a result of the
11 dissolution, are paid or provided for in a manner satisfactory to the Department; and

12 (2) The articles are accompanied by certificates of:

13 (i) The Comptroller and of each collector of taxes on the list
14 supplied by the Department, stating that all taxes not barred by limitations which are
15 levied on assessments made by the Department and billed by and payable to them by
16 the corporation, including taxes for the current year, are paid or provided for in a
17 manner satisfactory to them; and

18 (ii) The Secretary of Labor, Licensing, and Regulation stating that
19 all unemployment insurance contributions, reimbursement payments, and interest
20 not barred by limitations and payable by the corporation to the Secretary are paid or
21 provided for in a manner satisfactory to the Secretary.]

22 7-208.

23 (a) A foreign corporation registered or qualified under this subtitle may
24 terminate its registration or qualification as provided in this section.

25 (b) To terminate, the corporation shall file with the Department[:

26 (1) An] AN application for termination[: and

27 (2) The same certificate of payment of taxes required by Title 3 of this
28 article for the filing of articles of dissolution by a Maryland corporation].

29 (c) The application for termination shall be executed for the corporation by its
30 president or one of its vice-presidents. The application shall include:

31 (1) The name of the corporation, and the address of any principal office
32 in this State;

33 (2) The name and address of its resident agent in this State;

34 (3) A statement that the corporation:

35 (i) In the case of termination of qualification, no longer transacts
36 any intrastate business in this State; or

1 (ii) In the case of termination of registration, no longer transacts
2 any interstate or foreign business in this State; and

3 (4) A statement that the corporation:

4 (i) Wishes to terminate its registration or qualification to do
5 business in this State; and

6 (ii) Has filed all reports required by law and has paid all taxes due
7 by it to the State and any of its political subdivisions as of the date of the application
8 for termination.

9 (d) The Department shall issue a certificate of termination to the corporation
10 if all reports required by [law] TITLE 11 OF THE TAX - PROPERTY ARTICLE have been
11 filed [and all taxes due by the corporation as of the date of filing the application for
12 termination have been paid].

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 1999.