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

Introduced and read first time: January 18, 1999  
Assigned to: Economic Matters

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Committee Report: Favorable  
House action: Adopted  
Read second time: February 12, 1999

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CHAPTER \_\_\_\_\_

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:

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

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

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

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

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

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

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

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

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

29 7-208.

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

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

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

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

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

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

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

6 (3) A statement that the corporation:

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

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

11 (4) A statement that the corporation:

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

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

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

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