

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE
Revised

Senate Bill 169 (The President) (Administration)

Judicial Proceedings

Corporations and Real Estate Investment Trusts - Unsolicited Takeovers

This Administration bill provides increased protections for corporations and real estate investment trusts against unsolicited takeovers.

The bill takes effect June 1, 1999.

Fiscal Summary

State Effect: Potential minimal. General fund revenues could increase to the extent corporations amend their charters and real estate investment trusts amend their declarations of trusts and file their articles supplementary.

Local Effect: None.

Small Business Effect: A small business impact statement was not provided by the Administration in time for inclusion in this fiscal note. A revised fiscal note will be issued when the Administration's assessment becomes available.

Fiscal Analysis

State Revenues: Under current law each time a corporation amends its charter or a real estate investment trust amends its declaration of trust, the corporation or real estate investment trust must file the amended document with the Department of Assessments and Taxation (DAT). This bill would also require a corporation or real estate investment trust to file articles supplementary with DAT if the corporation or real estate investment trust adopts any or all provisions of the bill or adopts provisions prohibiting the corporation or real estate

investment trust from adopting any or all provisions of the bill. The filing fee for each amended document or articles supplementary is \$20 which is collected by DAT and remitted to the general fund. Therefore, general fund revenues could increase to the extent the corporations and real estate investment trusts amend their charters and declarations of trust and file their articles supplementary as a result of this bill.

Information Source(s): Department of Assessments and Taxation

Fiscal Note History: First Reader - February 12, 1999

Inc/jr Revised - Senate Third Reader - April 1, 1999

Analysis by: Joanna Rooney

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 946-5510

(301) 970-5510