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

Introduced and read first time: January 20, 2005

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 1, 2005

CHAPTER _____

1 AN ACT concerning

2 **Business Entities - Recordation of Documents**

3 FOR the purpose of ~~repealing~~ altering a requirement that the Department of
 4 Assessments and Taxation return certain documents filed for record by certain
 5 business entities; ~~repealing~~ altering a requirement that the Department issue a
 6 certification of registration for certain foreign entities; repealing a requirement
 7 that the Department record previously unrecorded documents without
 8 additional charge; requiring the Department to send an acknowledgment after
 9 recording certain documents and, ~~on request~~, to return certain documents ~~if~~
 10 ~~accompanied by~~ on payment of a certain processing fee unless the filer declines
 11 the return; establishing a certain processing fee; and generally relating to the
 12 recordation of certain documents.

13 BY repealing and reenacting, with amendments,
 14 Article - Corporations and Associations
 15 Section 1-202, 1-203, 1-205, 4A-207, 4A-1003, 9A-1002, 9A-1102, 10-206,
 16 and 10-903
 17 Annotated Code of Maryland
 18 (1999 Replacement Volume and 2004 Supplement)

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

1 **Article - Corporations and Associations**

2 1-202.

3 When the Department accepts for record any charter document or any document
4 designating or changing the name or address of a resident agent or principal office of
5 a Maryland corporation, the Department shall:

6 (1) Endorse on the document its acceptance for record and the date and
7 time of acceptance;

8 (2) Record promptly the document with its corporate records; and

9 (3) (I) [Return the document] SEND AN ACKNOWLEDGMENT to the
10 corporation, its attorney, or its agent STATING THE DATE AND TIME THAT THE
11 DOCUMENT WAS ACCEPTED FOR RECORD; AND

12 (II) ~~AT THE REQUEST OF~~ UNLESS THE CORPORATION, ITS
13 ATTORNEY, OR ITS AGENT, AT THE TIME OF FILING, ~~ACCOMPANIED BY~~ DECLINES THE
14 RETURN. RETURN THE DOCUMENT ON PAYMENT OF THE FEE PROVIDED IN
15 § 1-203(B)(10) OF THIS SUBTITLE, RETURN THE DOCUMENT.

16 1-203.

17 (a) In addition to any organization and capitalization fee required under §
18 1-204 of this article, subject to subsection (c) of this section, the Department shall
19 collect the fees specified in subsection (b) of this section.

20 (b) (1) For each of the following documents, the nonrefundable processing
21 fee is \$100:

22 Document
23 Articles of incorporation
24 Articles of amendment
25 Articles of extension
26 Articles of restatement of charter
27 Articles of amendment and restatement
28 Articles supplementary
29 Articles of share exchange
30 Articles of consolidation, merger, or transfer
31 Articles of dissolution
32 Articles of revival for stock corporation
33 Articles of revival for nonstock corporation

34 (2) For each of the following documents, the nonrefundable processing
35 fee is \$25:

36 (i) Notice of change of address of principal office;

37 (ii) Notice of change of name or address of resident agent;

- 1 (iii) Certificate of correction; and
- 2 (iv) Any other documents.
- 3 (3) (i) For each of the following documents which are filed but not
4 recorded, the nonrefundable processing fee is as indicated:
- 5 Reservation of a corporate, limited partnership, limited liability
6 partnership or limited liability company name \$25
- 7 Original registration of name of a foreign corporation to end of calendar
8 year \$100
- 9 Renewal of registration of name of a foreign corporation for one calendar
10 year \$100
- 11 Documents in connection with the qualification of a foreign corporation to
12 do intrastate business in this State \$100
- 13 Application for registration of a foreign limited partnership, a foreign
14 limited liability partnership, or a foreign limited liability company \$100
- 15 Other documents \$6
- 16 (ii) For each of the following documents which are filed but not
17 recorded, the filing fee is as indicated:
- 18 Annual report of a Maryland corporation, except a charitable or benevolent
19 institution, nonstock corporation, savings and loan corporation, credit
20 union, and banking institution \$300
- 21 Annual report of a foreign corporation subject to the jurisdiction of this
22 State, except a national banking association, savings and loan
23 association, credit union, nonstock corporation, and charitable and
24 benevolent institution \$300
- 25 Annual report of a Maryland savings and loan association, banking
26 institution, or credit union or of a foreign savings and loan association,
27 national banking association, or credit union that is subject to the
28 jurisdiction of this State \$300
- 29 Annual report of a Maryland limited liability company, limited liability
30 partnership, limited partnership, or of a foreign limited liability company,
31 foreign limited liability partnership, or foreign limited partnership \$300
- 32 Annual report of a business trust \$300
- 33 Annual report of a real estate investment trust doing business in this State \$300
- 34 (4) For each of the following documents recorded or filed the
35 nonrefundable processing fee is \$100:

1 (i) Certificate of limited partnership, certificate of limited liability
2 partnership, articles of organization of a limited liability company, certificate of trust
3 of a business trust, including certificates of amendment and certificates of
4 cancellation, certificates of reinstatement, and articles of reinstatement; and

5 (ii) Any statement filed by a partnership under Title 9A of this
6 article.

7 (5) For issuing each of the following certificates, the nonrefundable
8 processing fee is as indicated:

9 Type of Instrument Special Fee

10 Certificate of status of a corporation, partnership, limited partnership,
11 limited liability partnership, or limited liability company of this State or
12 of a foreign corporation, foreign partnership, foreign limited partnership,
13 foreign limited liability partnership, or foreign limited liability company \$20

14 Certified list of the charter papers of a corporation of this State or any
15 certificates of a limited partnership, limited liability partnership, or a
16 limited liability company of this State recorded or filed with the
17 Department \$20

18 Certificate of compliance by a foreign corporation, foreign limited
19 partnership, foreign limited liability partnership, or foreign limited
20 liability company with requirements of law in respect of qualification or
21 registration \$20

22 Certificate of withdrawal of registration or qualification \$20

23 Certificate of any paper recorded or filed in the Department's office \$20

24 (6) For a duplicate of a certificate mentioned in paragraph (5) of this
25 subsection which is issued at the same time as the original, the fee is \$1, and for a
26 copy of any other paper recorded or filed with the Department, the fee is \$1 per page.

27 (7) (i) For acceptance of service of process or notice on the
28 Department, the Department shall charge a fee of \$50.

29 (ii) Each county and Baltimore City is exempt from the fee under
30 subparagraph (i) of this paragraph.

31 (8) For processing each of the following documents on an expedited basis,
32 the additional fee is as indicated:

33 Recording any document, including financing statements \$50

34 Certificate of status of a corporation, partnership, limited partnership,
35 limited liability partnership, or limited liability company, or a name
36 reservation \$20

1 A copy of any document recorded or filed with the Department, or a
2 corporate abstract \$20

3 Application for a ground rent redemption or a ground rent extinguishment,
4 or payment of a redemption or extinguishment amount to the former owner
5 of the ground rent \$50

6 (9) A nonrefundable processing fee for a request by paper document for
7 an extension of the date for submitting an annual report under § 14-704 of the
8 Tax - Property Article is \$20.

9 (10) A NONREFUNDABLE PROCESSING FEE FOR A REQUEST TO RETURN
10 OF AN ORIGINAL DOCUMENT IS \$10 \$5.

11 (c) For each fee identified under subsection (b) of this section as
12 nonrefundable, the Department shall adopt regulations to specify the conditions
13 under which the fee shall be nonrefundable and the conditions under which the fee
14 may be applied to a resubmission of a document for filing, recording, or processing.

15 (D) THE FEE COLLECTED UNDER SUBSECTION (B)(10) OF THIS SECTION SHALL
16 BE CREDITED TO THE FUND ESTABLISHED UNDER § 1-203.3 OF THIS SUBTITLE.

17 1-205.

18 [(a)] The Department may refuse to accept for record or filing any charter
19 document of a Maryland corporation, unless the original or a certified copy of all prior
20 charter documents not previously recorded or filed are delivered to the Department
21 for record, together with any affidavit or certificate of completeness required by the
22 Department.

23 [(b)] The Department shall record without additional charge these previously
24 unrecorded and unfiled documents and then return them to the corporation, its
25 attorney, or its agent.]

26 4A-207.

27 (a) (1) The Department may not accept for record or filing any document of
28 a limited liability company that does not conform with law.

29 (2) Any document which purports to be acknowledged may be treated by
30 the Department as properly acknowledged.

31 (b) The Department may not accept for record or filing any articles,
32 certificate, qualification, registration, change of resident agent or principal office,
33 report, service of process or notice, or other document until all required recording,
34 filing, and other fees have been paid to the Department.

35 (c) When the Department accepts for record any articles, certificate, or other
36 document, the Department shall:

1 (1) Endorse on the document its acceptance for record and the date and
2 time of acceptance;

3 (2) Record promptly the document; and

4 (3) (I) [Return the document] SEND AN ACKNOWLEDGMENT to the
5 limited liability company, its attorney, or its agent STATING THE DATE AND TIME
6 THAT THE DOCUMENT WAS ACCEPTED FOR RECORD; AND

7 (II) ~~AT THE REQUEST OF~~ UNLESS THE LIMITED LIABILITY
8 COMPANY, ITS ATTORNEY, OR ITS AGENT, AT THE TIME OF FILING, ~~ACCOMPANIED BY~~
9 DECLINES THE RETURN, RETURN THE DOCUMENT ON PAYMENT OF THE FEE
10 PROVIDED IN § 1-203(B)(10) OF THIS ARTICLE, ~~RETURN THE DOCUMENT.~~

11 4A-1003.

12 If the Department finds that an application for registration meets the
13 requirements of this title and all required fees have been paid, it shall:

14 (1) Endorse on the application the date and time of its acceptance for
15 record;

16 (2) Record promptly the document; AND

17 (3) [Issue a certificate of registration to do business in this State; and

18 (4)] (I) [Return the certificate of registration] SEND AN
19 ACKNOWLEDGMENT to the person who filed the application or a representative of the
20 person who filed the application STATING THE DATE AND TIME THAT THE DOCUMENT
21 WAS ACCEPTED FOR RECORD; AND

22 (II) ~~AT THE REQUEST OF~~ UNLESS THE PERSON WHO FILED THE
23 APPLICATION OR THE PERSON'S REPRESENTATIVE, AT THE TIME OF FILING,
24 ~~ACCOMPANIED BY~~ DECLINES THE RETURN, RETURN THE DOCUMENT ON PAYMENT
25 OF THE FEE PROVIDED IN § 1-203(B)(10) OF THIS ARTICLE, ~~RETURN THE DOCUMENT.~~

26 9A-1002.

27 (a) The Department may not accept for record or filing any document of a
28 limited liability partnership that does not conform with law.

29 (b) Any document which purports to be acknowledged may be treated by the
30 Department as properly acknowledged.

31 (c) The Department may not accept for record or filing any certificates,
32 qualification, registration, change of resident agent or principal office, report, service
33 of process or notice, or other document until all required recording, filing, and other
34 fees have been paid to the Department.

35 (d) When the Department accepts for record any certificate or other document,
36 the Department shall:

1 (1) Endorse on the document its acceptance for record and the date and
2 time of acceptance;

3 (2) Record promptly the document; and

4 (3) (I) [Return the document] SEND AN ACKNOWLEDGMENT to the
5 limited liability partnership, its attorney, or its agent STATING THE DATE AND TIME
6 THAT THE DOCUMENT WAS ACCEPTED FOR RECORD; AND

7 (II) ~~AT THE REQUEST OF~~ UNLESS THE LIMITED LIABILITY
8 PARTNERSHIP, ITS ATTORNEY, OR ITS AGENT, AT THE TIME OF FILING,
9 ~~ACCOMPANIED BY~~ DECLINES THE RETURN, RETURN THE DOCUMENT ON PAYMENT
10 OF THE FEE PROVIDED IN § 1-203(B)(10) OF THIS ARTICLE, RETURN THE DOCUMENT.

11 9A-1102.

12 If the Department finds that an application for registration meets the
13 requirements of this subtitle and all required fees have been paid, it shall:

14 (1) Endorse on the application the date and time of its acceptance for
15 record;

16 (2) Record promptly the document; AND

17 (3) [Issue a certificate of registration to do business in this State; and

18 (4)] (I) [Return the certificate of registration] SEND AN
19 ACKNOWLEDGMENT to the person who filed the application or a representative of the
20 person who filed the application STATING THE DATE AND TIME THAT THE DOCUMENT
21 WAS ACCEPTED FOR RECORD; AND

22 (II) ~~AT THE REQUEST OF~~ UNLESS THE PERSON WHO FILED THE
23 APPLICATION OR THE PERSON'S REPRESENTATIVE, AT THE TIME OF FILING,
24 ~~ACCOMPANIED BY~~ DECLINES THE RETURN, RETURN THE DOCUMENT ON PAYMENT
25 OF THE FEE PROVIDED IN § 1-203(B)(10) OF THIS ARTICLE, RETURN THE DOCUMENT.

26 10-206.

27 (a) An executed copy of each certificate required by this subtitle, or of any
28 judicial decree of amendment or cancellation, shall be filed with the Department.
29 However, the Department may not accept for record any certificate or decree that
30 does not meet the requirements of this title. A person who executes a certificate as an
31 agent or fiduciary need not exhibit evidence of that person's authority as a
32 prerequisite to filing. The Department may not accept for record or filing any
33 certificate, decree, qualification, registration, change of resident agent or principal
34 office, report, service of process or notice, or other document until all required fees
35 have been paid to the Department.

36 (b) When the Department accepts for record any certificate, the Department
37 shall:

1 (1) Endorse on the document its acceptance for record and the date and
2 time of acceptance;

3 (2) Record promptly the document; and

4 (3) (I) [Return the document] SEND AN ACKNOWLEDGMENT to the
5 partnership, its attorney, or its agent STATING THE DATE AND TIME THAT THE
6 DOCUMENT WAS ACCEPTED FOR RECORD; AND

7 (II) ~~AT THE REQUEST OF~~ UNLESS THE PARTNERSHIP, ITS
8 ATTORNEY, OR ITS AGENT, AT THE TIME OF FILING, ~~ACCOMPANIED BY~~ DECLINES THE
9 RETURN, RETURN THE DOCUMENT ON PAYMENT OF THE FEE PROVIDED IN
10 § 1-203(B)(10) OF THIS ARTICLE, RETURN THE DOCUMENT.

11 10-903.

12 If the Department finds that an application for registration meets the
13 requirements of this title and all required fees have been paid, it shall:

14 (1) Endorse on the application the date and time of its acceptance for
15 record;

16 (2) Record promptly the document; AND

17 (3) [Issue a certificate of registration to do business in this State; and

18 (4)] (I) [Return the certificate of registration] SEND AN
19 ACKNOWLEDGMENT to the person who filed the application or his representative
20 STATING THE DATE AND TIME THAT THE DOCUMENT WAS ACCEPTED FOR RECORD;
21 AND

22 (II) ~~AT THE REQUEST OF~~ UNLESS THE PERSON WHO FILED THE
23 APPLICATION OR THE PERSON'S REPRESENTATIVE, AT THE TIME OF FILING,
24 ~~ACCOMPANIED BY~~ DECLINES THE RETURN, RETURN THE DOCUMENT ON PAYMENT
25 OF THE FEE PROVIDED IN § 1-203(B)(10) OF THIS ARTICLE, RETURN THE DOCUMENT.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
27 effect July 1, 2005.