

SENATE BILL 67

C1

9lr0122

(PRE-FILED)

By: **Chair, Judicial Proceedings Committee (By Request – Departmental – Assessments and Taxation)**

Requested: October 6, 2008

Introduced and read first time: January 14, 2009

Assigned to: Judicial Proceedings

Committee Report: Favorable

Senate action: Adopted

Read second time: January 26, 2009

CHAPTER _____

1 AN ACT concerning

2 **Corporations and Associations – Proof of Good Standing for Foreign**
3 **Business Entities**

4 FOR the purpose of requiring certain foreign business entities that are required to
5 register or qualify to do business in Maryland to provide the State Department
6 of Assessments and Taxation certain proof of good standing in the jurisdictions
7 where the foreign business entities currently are organized; and generally
8 relating to registration and qualification requirements for foreign business
9 entities.

10 BY repealing and reenacting, with amendments,
11 Article – Corporations and Associations
12 Section 4A–1002, 7–202, 7–203, 9A–1101, and 10–902
13 Annotated Code of Maryland
14 (2007 Replacement Volume and 2008 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 4A–1002.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (a) Before doing any interstate, intrastate, or foreign business in this State, a
2 foreign limited liability company shall register with the Department.

3 (b) In order to register, a foreign limited liability company shall submit to
4 the Department an application for registration as a foreign limited liability company
5 executed by an authorized person and setting forth:

6 (1) The name of the foreign limited liability company and, if different,
7 the name under which it proposes to register and do business in this State;

8 (2) The state under whose laws it was formed and the date of its
9 formation;

10 (3) The general character of the business it proposes to transact in this
11 State;

12 (4) The name and address of its resident agent in this State;

13 (5) A statement that the Department is appointed as the resident
14 agent of the foreign limited liability company if no resident agent has been appointed
15 under paragraph (4) of this subsection or, if appointed, the resident agent's authority
16 has been revoked or if the agent cannot be found or served with the exercise of
17 reasonable diligence; [and]

18 (6) The address of the office required to be maintained in the state of
19 its organization by the laws of that state or, if not so required, of the principal office of
20 the foreign limited liability company; **AND**

21 **(7) PROOF ACCEPTABLE TO THE DEPARTMENT OF GOOD**
22 **STANDING IN THE JURISDICTION WHERE IT CURRENTLY IS ORGANIZED.**

23 7-202.

24 (a) Unless it is qualified to do business under § 7-203 of this subtitle, before
25 doing any interstate or foreign business in this State, a foreign corporation shall
26 register with the Department.

27 (b) To register, the corporation shall [certify]:

28 **(1) CERTIFY** to the Department:

29 [(1)] **(I)** The address of the corporation; and

30 [(2)] **(II)** The name and address of its resident agent in this State;

31 **AND**

1 **(2) PROVIDE PROOF ACCEPTABLE TO THE DEPARTMENT OF**
2 **GOOD STANDING IN THE JURISDICTION WHERE IT CURRENTLY IS ORGANIZED.**

3 (c) Unless terminated by the corporation, the registration is effective as long
4 as the corporation has a resident agent in this State.

5 7-203.

6 (a) Before doing any intrastate business in this State, a foreign corporation
7 shall qualify with the Department.

8 (b) To qualify, the corporation shall [certify]:

9 **(1) CERTIFY** to the Department:

10 [(1)] **(I)** The address of the corporation; and

11 [(2)] **(II)** The name and address of its resident agent in this State;

12 **AND**

13 **(2) PROVIDE PROOF ACCEPTABLE TO THE DEPARTMENT OF**
14 **GOOD STANDING IN THE JURISDICTION WHERE IT CURRENTLY IS ORGANIZED.**

15 (c) Unless terminated by the corporation, the qualification is effective as long
16 as:

17 (1) The corporation has a resident agent in this State;

18 (2) The corporation does not forfeit its right to do intrastate business
19 under the laws of this State; and

20 (3) If the corporation qualifies or changes its name after June 1, 1951,
21 the name of the corporation complies with the requirements of Title 1, Subtitle 5 of
22 this article.

23 9A-1101.

24 (a) Before doing any interstate, intrastate, or foreign business in this State, a
25 foreign limited liability partnership shall register with the Department.

26 (b) In order to register, a foreign limited liability partnership shall submit to
27 the Department an application for registration as a foreign limited liability
28 partnership executed by an authorized person and setting forth:

29 (1) The name of the foreign limited liability partnership and, if
30 different, the name under which it proposes to register and do business in this State;

1 (2) The state under whose laws it was formed and the date of its
2 formation;

3 (3) The general character of the business it proposes to transact in this
4 State;

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

6 (5) A statement that the Department is appointed as the resident
7 agent of the foreign limited liability partnership if no resident agent has been
8 appointed under paragraph (4) of this subsection or, if appointed, the resident agent's
9 authority has been revoked or if the agent cannot be found or served with the exercise
10 of reasonable diligence; [and]

11 (6) The address of the office required to be maintained in the state of
12 its organization by the laws of that state or, if not so required, of the principal office of
13 the foreign limited liability partnership; **AND**

14 **(7) PROOF ACCEPTABLE TO THE DEPARTMENT OF GOOD**
15 **STANDING IN THE JURISDICTION WHERE IT CURRENTLY IS ORGANIZED.**

16 10-902.

17 Before doing any interstate, intrastate, or foreign business in this State, a
18 foreign limited partnership shall register with the Department. In order to register, a
19 foreign limited partnership shall submit to the Department an application for
20 registration as a foreign limited partnership, executed by a general partner and
21 setting forth:

22 (1) The name of the foreign limited partnership and, if different, the
23 name under which it proposes to register and do business in this State;

24 (2) The state or country under whose laws it was formed and the date
25 of its formation;

26 (3) The general character of the business it proposes to transact in this
27 State;

28 (4) The name and address of its resident agent in this State;

29 (5) A statement that the Department is appointed the resident agent
30 of the foreign limited partnership if no resident agent has been appointed under
31 paragraph (4) or, if appointed, the resident agent's authority has been revoked or if the
32 agent cannot be found or served with the exercise of reasonable diligence;

1 (6) The address of the office required to be maintained in the state or
2 country of its organization by the laws of that jurisdiction or, if not so required, of the
3 principal office of the foreign limited partnership; [and]

4 (7) The name and business, residence, or mailing address of each of
5 the general partners; **AND**

6 (8) **PROOF ACCEPTABLE TO THE DEPARTMENT OF GOOD**
7 **STANDING IN THE JURISDICTION WHERE IT CURRENTLY IS ORGANIZED.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2009.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.