

SENATE BILL 258

C1

2lr0039

By: **Senator Feldman**

Introduced and read first time: January 14, 2022

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Real Estate Investment Trust Modernization Act**

3 FOR the purpose of requiring a real estate investment trust to establish its name in a
4 certain manner and have an office in this State and a resident agent; providing for
5 the formation, organization, registration, operation, and termination of foreign real
6 estate investment trusts; requiring the State Department of Assessments and
7 Taxation to register a foreign real estate investment trust in a certain manner;
8 authorizing, under certain circumstances, a foreign real estate investment trust to
9 do business in this State; authorizing the Attorney General, under certain
10 circumstances, to bring a certain action; and generally relating to real estate
11 investment trusts and foreign real estate investment trusts.

12 BY renumbering

13 Article – Corporations and Associations

14 Section 8–801 and the subtitle “Subtitle 8. Penalties”; and 8–901 and the subtitle
15 “Subtitle 9. Short Title”, respectively

16 to be Section 8–901 and the subtitle “Subtitle 9. Penalties”; and 8–1001 and the
17 subtitle “Subtitle 10. Short Title”, respectively

18 Annotated Code of Maryland

19 (2014 Replacement Volume and 2021 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Corporations and Associations

22 Section 1–203(b)(3), 8–201, and 8–502

23 Annotated Code of Maryland

24 (2014 Replacement Volume and 2021 Supplement)

25 BY adding to

26 Article – Corporations and Associations

27 Section 8–208; and 8–801 through 8–814 to be under the new subtitle “Subtitle 8.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Foreign Real Estate Investment Trusts”
2 Annotated Code of Maryland
3 (2014 Replacement Volume and 2021 Supplement)

4 BY repealing and reenacting, with amendments,
5 Article – Tax – Property
6 Section 11–101(a)
7 Annotated Code of Maryland
8 (2019 Replacement Volume and 2021 Supplement)

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
10 That Section(s) 8–801 and the subtitle “Subtitle 8. Penalties”; and 8–901 and the subtitle
11 “Subtitle 9. Short Title”, respectively, of Article – Corporations and Associations of the
12 Annotated Code of Maryland be renumbered to be Section(s) 8–901 and the subtitle
13 “Subtitle 9. Penalties”; and 8–1001 and the subtitle “Subtitle 10. Short Title”, respectively.

14 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
15 as follows:

16 **Article – Corporations and Associations**

17 1–203.

18 (b) (3) (i) For each of the following documents which are filed but not
19 recorded, the nonrefundable processing fee is as indicated:

- 20 Reservation of a corporate, limited partnership, limited liability partnership or
21 limited liability company name.....\$25
- 22 Original registration of name of a foreign corporation to end of calendar
23 year.....\$100
- 24 Renewal of registration of name of a foreign corporation for 1 calendar
25 year.....\$100
- 26 Documents in connection with the qualification of a foreign corporation to do
27 intrastate business in this State.....\$100
- 28 Application for registration of a foreign limited partnership, a foreign limited
29 liability partnership, or a foreign limited liability company.....\$100
- 30 Other documents.....\$6

31 (ii) Except as provided in paragraph (13) of this subsection, for each
32 of the following documents which are filed but not recorded, the filing fee is as indicated:

33 Annual report of a Maryland corporation, except a charitable or benevolent

1 institution, nonstock corporation, savings and loan corporation, credit union, family farm,
2 and banking institution.....\$300

3 Annual report of a foreign corporation subject to the jurisdiction of this State, except
4 a national banking association, savings and loan association, credit union, nonstock
5 corporation, and charitable and benevolent institution.....\$300

6 Annual report of a Maryland savings and loan association, banking institution, or
7 credit union or of a foreign savings and loan association, national banking association, or
8 credit union that is subject to the jurisdiction of this
9 State.....\$300

10 Annual report of a Maryland limited liability company, limited liability partnership,
11 limited partnership, or of a foreign limited liability company, foreign limited liability
12 partnership, or foreign limited partnership, except a family
13 farm.....\$300

14 Annual report of a business trust.....\$300

15 Annual report of a real estate investment trust, **FOREIGN REAL ESTATE**
16 **INVESTMENT TRUST**, or foreign statutory trust doing business in this
17 State.....\$300

18 Annual report of a family farm.....\$100

19 8-201.

20 A real estate investment trust:

21 (1) Is formed by filing a declaration of trust for record with the
22 Department; [and]

23 (2) May not do business in the State until it complies with this title; **AND**

24 **(3) MUST HAVE A NAME SET FORTH IN ITS ARTICLES OF**
25 **ORGANIZATION THAT COMPLIES WITH THE REQUIREMENTS OF TITLE 1, SUBTITLE 5**
26 **OF THIS ARTICLE.**

27 8-208.

28 **(A) A REAL ESTATE INVESTMENT TRUST MUST HAVE:**

29 **(1) A PRINCIPAL OFFICE IN THIS STATE; AND**

30 **(2) A RESIDENT AGENT.**

1 **(B) (1) A REAL ESTATE INVESTMENT TRUST MAY DESIGNATE OR CHANGE**
2 **ITS RESIDENT AGENT OR PRINCIPAL OFFICE BY FILING FOR RECORD WITH THE**
3 **DEPARTMENT A STATEMENT SIGNED BY AN AUTHORIZED PERSON THAT**
4 **AUTHORIZES THE DESIGNATION OR CHANGE.**

5 **(2) A REAL ESTATE INVESTMENT TRUST MAY CHANGE THE ADDRESS**
6 **OF ITS RESIDENT AGENT BY FILING FOR RECORD WITH THE DEPARTMENT A**
7 **STATEMENT OF THE CHANGE SIGNED BY AN AUTHORIZED PERSON.**

8 **(3) A DESIGNATION OR CHANGE OF A PRINCIPAL OFFICE OR**
9 **RESIDENT AGENT OR ADDRESS OF THE RESIDENT AGENT FOR A REAL ESTATE**
10 **INVESTMENT TRUST UNDER THIS SUBSECTION IS EFFECTIVE WHEN THE**
11 **DEPARTMENT ACCEPTS THE STATEMENT FOR RECORD.**

12 **(C) (1) A RESIDENT AGENT WHO CHANGES ADDRESSES IN THIS STATE**
13 **MAY NOTIFY THE DEPARTMENT OF THE CHANGE BY FILING FOR RECORD WITH THE**
14 **DEPARTMENT A STATEMENT OF THE CHANGE SIGNED BY OR ON BEHALF OF THE**
15 **RESIDENT AGENT.**

16 **(2) THE STATEMENT SHALL INCLUDE:**

17 **(I) THE NAME OF THE REAL ESTATE INVESTMENT TRUST FOR**
18 **WHICH THE CHANGE IS EFFECTIVE;**

19 **(II) THE OLD AND NEW ADDRESSES OF THE RESIDENT AGENT;**
20 **AND**

21 **(III) THE DATE ON WHICH THE CHANGE IS EFFECTIVE.**

22 **(3) IF THE OLD AND NEW ADDRESSES OF THE RESIDENT AGENT ARE**
23 **THE SAME AS THE OLD AND NEW ADDRESSES OF THE PRINCIPAL OFFICE OF THE**
24 **REAL ESTATE INVESTMENT TRUST, THE STATEMENT MAY INCLUDE A CHANGE OF**
25 **ADDRESS OF THE PRINCIPAL OFFICE IF:**

26 **(I) THE RESIDENT AGENT NOTIFIES THE REAL ESTATE**
27 **INVESTMENT TRUST IN WRITING; AND**

28 **(II) THE STATEMENT RECITES THAT NOTICE HAS BEEN SENT.**

29 **(4) THE CHANGE OF ADDRESS OF THE RESIDENT AGENT OR**
30 **PRINCIPAL OFFICE IS EFFECTIVE WHEN THE DEPARTMENT ACCEPTS THE**
31 **STATEMENT FOR RECORD.**

1 **(D) (1) A RESIDENT AGENT MAY RESIGN BY FILING WITH THE**
2 **DEPARTMENT A COUNTERPART OR PHOTOCOPY OF THE SIGNED RESIGNATION.**

3 **(2) UNLESS A LATER TIME IS SPECIFIED IN THE RESIGNATION, IT IS**
4 **EFFECTIVE:**

5 **(I) AT THE TIME IT IS FILED WITH THE DEPARTMENT, IF THE**
6 **REAL ESTATE INVESTMENT TRUST HAS APPOINTED A SUCCESSOR RESIDENT AGENT;**
7 **OR**

8 **(II) 10 DAYS AFTER IT IS FILED WITH THE DEPARTMENT, IF THE**
9 **REAL ESTATE INVESTMENT TRUST HAS NOT APPOINTED A SUCCESSOR RESIDENT**
10 **AGENT.**

11 8-502.

12 [(a) A real estate investment trust may terminate its existence by voluntary
13 dissolution. The Department shall be notified of the effective date of the dissolution.

14 (b) A real estate investment trust may curtail or cease its trust activities by
15 partially or completely distributing its assets.]

16 **(A) A REAL ESTATE INVESTMENT TRUST MAY CANCEL ITS REGISTRATION BY**
17 **FILING WITH THE DEPARTMENT A CERTIFICATE OF CANCELLATION EXECUTED BY**
18 **AN AUTHORIZED PERSON.**

19 **[(c) (B) (1) The Attorney General may institute proceedings to dissolve a**
20 **real estate investment trust which has abused, misused, or failed to use its powers. The**
21 **proceedings shall be brought in the manner and on the grounds provided in Title 3, Subtitle**
22 **5 of this article with respect to dissolution of a corporation for misuse of its franchise.**

23 (2) The venue of an action under this subsection is in a county where an
24 officer or resident agent of the real estate investment trust is located.

25 **SUBTITLE 8. FOREIGN REAL ESTATE INVESTMENT TRUSTS.**

26 8-801.

27 **(A) SUBJECT TO THE MARYLAND CONSTITUTION:**

28 **(1) THE LAWS OF THE STATE UNDER WHICH A FOREIGN REAL ESTATE**
29 **INVESTMENT TRUST IS ORGANIZED GOVERN ITS ORGANIZATION, ITS INTERNAL**
30 **AFFAIRS, AND THE LIABILITY OF ITS MEMBERS; AND**

1 **(2) A FOREIGN REAL ESTATE INVESTMENT TRUST MAY NOT BE**
2 **DENIED REGISTRATION BY REASON OF ANY DIFFERENCE BETWEEN THOSE LAWS**
3 **AND THE LAWS OF THIS STATE.**

4 **(B) SUBJECT TO THE MARYLAND CONSTITUTION, A FOREIGN REAL ESTATE**
5 **INVESTMENT TRUST MAY NOT DO ANY KIND OF INTRASTATE, INTERSTATE, OR**
6 **FOREIGN BUSINESS IN THIS STATE THAT THE LAWS OF THIS STATE PROHIBIT A**
7 **DOMESTIC REAL ESTATE INVESTMENT TRUST FROM DOING.**

8 **8-802.**

9 **(A) BEFORE DOING ANY INTRASTATE, INTERSTATE, OR FOREIGN BUSINESS**
10 **IN THIS STATE, A FOREIGN REAL ESTATE INVESTMENT TRUST SHALL REGISTER**
11 **WITH THE DEPARTMENT.**

12 **(B) IN ORDER TO REGISTER, A FOREIGN REAL ESTATE INVESTMENT TRUST**
13 **SHALL SUBMIT TO THE DEPARTMENT AN APPLICATION FOR REGISTRATION AS A**
14 **FOREIGN REAL ESTATE INVESTMENT TRUST EXECUTED BY AN AUTHORIZED PERSON**
15 **AND SETTING FORTH:**

16 **(1) THE NAME OF THE FOREIGN REAL ESTATE INVESTMENT TRUST**
17 **AND, IF DIFFERENT, THE NAME UNDER WHICH IT PROPOSES TO REGISTER AND DO**
18 **BUSINESS IN THIS STATE;**

19 **(2) THE STATE UNDER WHOSE LAWS IT WAS FORMED AND THE DATE**
20 **OF ITS FORMATION;**

21 **(3) THE GENERAL CHARACTER OF THE BUSINESS IT PROPOSES TO**
22 **TRANSACT IN THIS STATE;**

23 **(4) THE NAME AND ADDRESS OF ITS RESIDENT AGENT IN THIS STATE;**

24 **(5) A STATEMENT THAT THE DEPARTMENT IS APPOINTED AS THE**
25 **RESIDENT AGENT OF THE FOREIGN REAL ESTATE INVESTMENT TRUST IF NO**
26 **RESIDENT AGENT HAS BEEN APPOINTED UNDER ITEM (4) OF THIS SUBSECTION OR,**
27 **IF APPOINTED, THE RESIDENT AGENT'S AUTHORITY HAS BEEN REVOKED OR IF THE**
28 **AGENT CANNOT BE FOUND OR SERVED WITH THE EXERCISE OF REASONABLE**
29 **DILIGENCE;**

30 **(6) THE ADDRESS OF THE OFFICE REQUIRED TO BE MAINTAINED IN**
31 **THE STATE OF ITS ORGANIZATION BY THE LAWS OF THAT STATE OR, IF NOT SO**
32 **REQUIRED, OF THE PRINCIPAL OFFICE OF THE FOREIGN REAL ESTATE INVESTMENT**
33 **TRUST;**

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

3 **(8) IF THE FOREIGN REAL ESTATE INVESTMENT TRUST IS A SERIES**
4 **REAL ESTATE INVESTMENT TRUST, A STATEMENT THAT THE COMPANY IS A SERIES**
5 **REAL ESTATE INVESTMENT TRUST.**

6 **8-803.**

7 **IF THE DEPARTMENT FINDS THAT AN APPLICATION FOR REGISTRATION**
8 **MEETS THE REQUIREMENTS OF THIS TITLE, THE DEPARTMENT SHALL:**

9 **(1) ENDORSE ON THE APPLICATION THE DATE AND TIME OF ITS**
10 **ACCEPTANCE FOR RECORD;**

11 **(2) RECORD PROMPTLY THE DOCUMENT; AND**

12 **(3) SEND AN ACKNOWLEDGMENT TO THE PERSON WHO FILED THE**
13 **APPLICATION OR A REPRESENTATIVE OF THE PERSON WHO FILED THE APPLICATION**
14 **STATING THE DATE AND TIME THAT THE DOCUMENT WAS ACCEPTED FOR RECORD.**

15 **8-804.**

16 **A FOREIGN REAL ESTATE INVESTMENT TRUST MAY REGISTER WITH THE**
17 **DEPARTMENT UNDER ANY NAME, WHETHER OR NOT IT IS THE NAME UNDER WHICH**
18 **IT IS REGISTERED IN ITS STATE OF ORGANIZATION, AS PROVIDED UNDER TITLE 1,**
19 **SUBTITLE 5 OF THIS ARTICLE.**

20 **8-805.**

21 **IF ANY STATEMENT IN THE APPLICATION FOR REGISTRATION OF A FOREIGN**
22 **REAL ESTATE INVESTMENT TRUST IS FALSE WHEN MADE OR ANY ARRANGEMENTS**
23 **OR OTHER FACTS DESCRIBED HAVE CHANGED MAKING THE APPLICATION**
24 **INACCURATE IN ANY RESPECT, THE FOREIGN REAL ESTATE INVESTMENT TRUST**
25 **SHALL PROMPTLY FILE WITH THE DEPARTMENT A CERTIFICATE, EXECUTED BY AN**
26 **AUTHORIZED PERSON, CORRECTING THE STATEMENT.**

27 **8-806.**

28 **(A) A FOREIGN REAL ESTATE INVESTMENT TRUST MAY CANCEL ITS**
29 **REGISTRATION BY FILING WITH THE DEPARTMENT A CERTIFICATE OF**
30 **CANCELLATION EXECUTED BY AN AUTHORIZED PERSON.**

1 **(B) THE FILING OF A CERTIFICATE OF CANCELLATION DOES NOT**
2 **TERMINATE THE AUTHORITY OF THE DEPARTMENT TO ACCEPT SERVICE OF**
3 **PROCESS ON THE FOREIGN REAL ESTATE INVESTMENT TRUST WITH RESPECT TO**
4 **CAUSES OF ACTION ARISING OUT OF DOING BUSINESS IN THIS STATE.**

5 **8-807.**

6 **(A) IF A FOREIGN REAL ESTATE INVESTMENT TRUST IS DOING OR HAS DONE**
7 **ANY INTRASTATE, INTERSTATE, OR FOREIGN BUSINESS IN THIS STATE WITHOUT**
8 **COMPLYING WITH THE REQUIREMENTS OF THIS SUBTITLE, THE FOREIGN REAL**
9 **ESTATE INVESTMENT TRUST AND ANY PERSON CLAIMING UNDER IT MAY NOT**
10 **MAINTAIN SUIT IN ANY COURT OF THIS STATE, UNLESS THE FOREIGN REAL ESTATE**
11 **INVESTMENT TRUST SHOWS TO THE SATISFACTION OF THE COURT THAT:**

12 **(1) THE FOREIGN REAL ESTATE INVESTMENT TRUST OR THE PERSON**
13 **CLAIMING UNDER IT HAS PAID THE PENALTY SPECIFIED IN SUBSECTION (D)(1) OF**
14 **THIS SECTION; AND**

15 **(2) (I) THE FOREIGN REAL ESTATE INVESTMENT TRUST OR A**
16 **SUCCESSOR TO IT HAS COMPLIED WITH THE REQUIREMENTS OF THIS TITLE; OR**

17 **(II) THE FOREIGN REAL ESTATE INVESTMENT TRUST AND ANY**
18 **FOREIGN REAL ESTATE INVESTMENT TRUST SUCCESSOR TO IT ARE NO LONGER**
19 **DOING INTRASTATE, INTERSTATE, OR FOREIGN BUSINESS IN THIS STATE.**

20 **(B) THE FAILURE OF A FOREIGN REAL ESTATE INVESTMENT TRUST TO**
21 **REGISTER IN THIS STATE DOES NOT IMPAIR THE VALIDITY OF A CONTRACT OR ACT**
22 **OF THE FOREIGN REAL ESTATE INVESTMENT TRUST OR PREVENT THE FOREIGN**
23 **REAL ESTATE INVESTMENT TRUST FROM DEFENDING ANY ACTION, SUIT, OR**
24 **PROCEEDING IN A COURT OF THIS STATE.**

25 **(C) A FOREIGN REAL ESTATE INVESTMENT TRUST, BY DOING BUSINESS IN**
26 **THIS STATE WITHOUT REGISTRATION, APPOINTS THE DEPARTMENT AS ITS AGENT**
27 **FOR SERVICE OF PROCESS WITH RESPECT TO CAUSES OF ACTION ARISING OUT OF**
28 **ITS DOING BUSINESS IN THIS STATE.**

29 **(D) (1) (I) IF A FOREIGN REAL ESTATE INVESTMENT TRUST DOES ANY**
30 **INTRASTATE, INTERSTATE, OR FOREIGN BUSINESS IN THIS STATE WITHOUT**
31 **REGISTERING, THE DEPARTMENT SHALL IMPOSE A PENALTY OF \$200 ON THE**
32 **FOREIGN REAL ESTATE INVESTMENT TRUST.**

33 **(II) THE PENALTY UNDER THIS SUBSECTION SHALL BE**

1 COLLECTED AND MAY BE REDUCED OR ABATED UNDER § 14-704 OF THE TAX -
2 PROPERTY ARTICLE.

3 (2) EACH MEMBER OF A FOREIGN REAL ESTATE INVESTMENT TRUST
4 THAT DOES INTRASTATE, INTERSTATE, OR FOREIGN BUSINESS IN THIS STATE
5 WITHOUT REGISTERING, AND EACH AGENT OF THE FOREIGN REAL ESTATE
6 INVESTMENT TRUST WHO TRANSACTS INTRASTATE, INTERSTATE, OR FOREIGN
7 BUSINESS IN THIS STATE FOR THE FOREIGN REAL ESTATE INVESTMENT TRUST IS
8 GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE OF NOT
9 MORE THAN \$1,000.

10 8-808.

11 THE ATTORNEY GENERAL MAY BRING AN ACTION TO RESTRAIN A FOREIGN
12 REAL ESTATE INVESTMENT TRUST FROM DOING BUSINESS IN THIS STATE IN
13 VIOLATION OF THIS TITLE.

14 8-809.

15 (A) IN ADDITION TO ANY OTHER ACTIVITIES THAT MAY NOT CONSTITUTE
16 DOING BUSINESS IN THIS STATE, FOR THE PURPOSES OF THIS TITLE, THE
17 FOLLOWING ACTIVITIES OF A FOREIGN REAL ESTATE INVESTMENT TRUST DO NOT
18 CONSTITUTE DOING BUSINESS IN THIS STATE:

19 (1) MAINTAINING, DEFENDING, OR SETTLING AN ACTION, A SUIT, A
20 CLAIM, A DISPUTE, OR AN ADMINISTRATIVE OR ARBITRATION PROCEEDING;

21 (2) HOLDING MEETINGS OF ITS MEMBERS OR AGENTS OR CARRYING
22 ON OTHER ACTIVITIES THAT CONCERN ITS INTERNAL AFFAIRS;

23 (3) MAINTAINING BANK ACCOUNTS;

24 (4) CONDUCTING AN ISOLATED TRANSACTION NOT IN THE COURSE
25 OF A NUMBER OF SIMILAR TRANSACTIONS;

26 (5) FORECLOSING MORTGAGES AND DEEDS OF TRUST ON PROPERTY
27 IN THIS STATE;

28 (6) AS A RESULT OF DEFAULT UNDER A MORTGAGE OR DEED OF
29 TRUST, ACQUIRING TITLE TO PROPERTY IN THIS STATE BY FORECLOSURE, DEED IN
30 LIEU OF FORECLOSURE, OR OTHERWISE;

31 (7) HOLDING, PROTECTING, RENTING, MAINTAINING, AND

1 OPERATING PROPERTY IN THIS STATE SO ACQUIRED; OR

2 (8) SELLING OR TRANSFERRING TITLE TO PROPERTY IN THIS STATE
3 SO ACQUIRED TO ANY PERSON, INCLUDING THE FEDERAL HOUSING
4 ADMINISTRATION OR THE U.S. DEPARTMENT OF VETERANS AFFAIRS.

5 (B) IN ADDITION TO ANY OTHER ACTIVITIES THAT MAY CONSTITUTE DOING
6 BUSINESS IN THIS STATE, FOR THE PURPOSES OF THIS TITLE ANY FOREIGN REAL
7 ESTATE INVESTMENT TRUST THAT OWNS INCOME-PRODUCING REAL OR TANGIBLE
8 PERSONAL PROPERTY IN THIS STATE, OTHER THAN PROPERTY EXEMPTED BY
9 SUBSECTION (A) OF THIS SECTION, SHALL BE CONSIDERED TO BE DOING BUSINESS
10 IN THIS STATE.

11 8-810.

12 BY DOING INTRASTATE, INTERSTATE, OR FOREIGN BUSINESS IN THIS STATE,
13 A FOREIGN REAL ESTATE INVESTMENT TRUST ASSENTS TO THE LAWS OF THIS
14 STATE.

15 8-811.

16 WITH RESPECT TO A CAUSE OF ACTION ON WHICH A FOREIGN REAL ESTATE
17 INVESTMENT TRUST WOULD NOT OTHERWISE BE SUBJECT TO SUIT IN THIS STATE,
18 COMPLIANCE WITH THIS TITLE:

19 (1) DOES NOT OF ITSELF RENDER A FOREIGN REAL ESTATE
20 INVESTMENT TRUST SUBJECT TO SUIT IN THIS STATE; AND

21 (2) IS NOT CONSIDERED AS CONSENT BY A FOREIGN REAL ESTATE
22 INVESTMENT TRUST TO BE SUED IN THIS STATE.

23 8-812.

24 (A) IF A FOREIGN REAL ESTATE INVESTMENT TRUST THAT OWNS PROPERTY
25 RIGHTS, PRIVILEGES, FRANCHISES, OR OTHER ASSETS LOCATED IN THIS STATE IS A
26 PARTY TO A MERGER IN WHICH A FOREIGN CORPORATION, FOREIGN LIMITED
27 PARTNERSHIP, OR FOREIGN LIMITED LIABILITY COMPANY IS THE SUCCESSOR, THE
28 TRANSFER TO, VESTING IN, OR DEVOLUTION ON THE SUCCESSOR OF THE PROPERTY,
29 RIGHTS, PRIVILEGES, FRANCHISES, OR OTHER ASSETS OF THE NONSURVIVING
30 FOREIGN REAL ESTATE INVESTMENT TRUST IS EFFECTIVE AS PROVIDED BY THE
31 LAWS OF THE PLACE THAT GOVERNS THE MERGER.

32 (B) THE SUCCESSOR SHALL FILE WITH THE DEPARTMENT A CERTIFICATE

1 EXECUTED BY AN AUTHORIZED PERSON THAT SPECIFIES:

2 (1) EACH COUNTY IN THIS STATE WHERE A FOREIGN REAL ESTATE
3 INVESTMENT TRUST PARTY TO THE MERGER, EXCEPT THE SUCCESSOR, OWNED AN
4 INTEREST IN LAND;

5 (2) THE NAME OF EACH PARTY TO THE MERGER;

6 (3) THE PLACE UNDER THE LAWS OF WHICH EACH PARTY WAS
7 ORGANIZED; AND

8 (4) THE NAME OF THE SUCCESSOR.

9 (C) IF A COPY OF THE DOCUMENT EFFECTING THE MERGER HAS NOT BEEN
10 FILED WITH THE DEPARTMENT AS PROVIDED IN § 8-501.1(H) OF THIS TITLE, THE
11 SUCCESSOR SHALL FILE WITH THE DEPARTMENT AN OFFICIALLY CERTIFIED COPY
12 OF THAT DOCUMENT.

13 (D) (1) WHEN THE DEPARTMENT RECEIVES THE ARTICLES AND ANY
14 CERTIFICATE OF THE SUCCESSOR, THE DEPARTMENT SHALL PREPARE AND FILE
15 CERTIFICATES OF MERGER IN THE MANNER PROVIDED FOR MARYLAND REAL
16 ESTATE INVESTMENT TRUSTS.

17 (2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, THE
18 CERTIFICATE OF MERGER NEED NOT STATE THE PRINCIPAL OFFICE IN THIS STATE
19 OF ANY REAL ESTATE INVESTMENT TRUST THAT DOES NOT HAVE A PRINCIPAL
20 OFFICE, AND THE CERTIFICATE SHALL INCLUDE OTHER INFORMATION SPECIFIED
21 IN THE CERTIFICATE FILED BY THE SUCCESSOR.

22 8-813.

23 (A) THE DEPARTMENT MAY FORFEIT THE RIGHT OF ANY FOREIGN REAL
24 ESTATE INVESTMENT TRUST TO DO BUSINESS IN THIS STATE IF THE FOREIGN REAL
25 ESTATE INVESTMENT TRUST FAILS TO FILE WITH THE DEPARTMENT ANY REPORT
26 OR FAILS TO PAY ANY LATE FILING PENALTIES REQUIRED BY LAW:

27 (1) WITHIN THE TIME REQUIRED BY LAW; AND

28 (2) THEREAFTER, WITHIN 30 DAYS AFTER THE DEPARTMENT MAKES
29 A WRITTEN DEMAND FOR THE DELINQUENT REPORT OR LATE FILING PENALTIES.

30 (B) UNLESS THE DEPARTMENT EXCUSES A REASONABLE DELAY FOR GOOD
31 CAUSE SHOWN, THE FORFEITURE IS EFFECTIVE 15 DAYS AFTER WRITTEN NOTICE OF

1 FORFEITURE FROM THE DEPARTMENT, WITHOUT PROCEEDINGS OF ANY KIND
2 EITHER AT LAW OR IN EQUITY.

3 (C) THE DEMAND FOR A DELINQUENT REPORT OR LATE FILING PENALTIES
4 AND THE NOTICE OF FORFEITURE SHALL BE ADDRESSED TO THE FOREIGN REAL
5 ESTATE INVESTMENT TRUST:

6 (1) AT ITS ADDRESS ON FILE WITH THE DEPARTMENT; OR

7 (2) IF IT HAS NO ADDRESS ON FILE WITH THE DEPARTMENT, IN CARE
8 OF THE SECRETARY OF STATE, OR CORRESPONDING OFFICIAL OF THE PLACE
9 WHERE IT WAS ORGANIZED OR IS EXISTING, IF KNOWN TO THE DEPARTMENT.

10 (D) ON FORFEITURE OF ITS RIGHT TO DO BUSINESS IN THIS STATE, THE
11 FOREIGN REAL ESTATE INVESTMENT TRUST IS SUBJECT TO THE SAME RULES, LEGAL
12 PROVISIONS, AND SANCTIONS AS IF IT HAD NEVER QUALIFIED OR BEEN LICENSED
13 TO DO BUSINESS IN THIS STATE.

14 8-814.

15 (A) EACH FOREIGN REAL ESTATE INVESTMENT TRUST MUST HAVE:

16 (1) A PRINCIPAL OFFICE IN THIS STATE; AND

17 (2) A RESIDENT AGENT.

18 (B) (1) A FOREIGN REAL ESTATE INVESTMENT TRUST MAY DESIGNATE OR
19 CHANGE ITS RESIDENT AGENT OR PRINCIPAL OFFICE BY FILING FOR RECORD WITH
20 THE DEPARTMENT A STATEMENT SIGNED BY AN AUTHORIZED PERSON THAT
21 AUTHORIZES THE DESIGNATION OR CHANGE.

22 (2) A FOREIGN REAL ESTATE INVESTMENT TRUST MAY CHANGE THE
23 ADDRESS OF ITS RESIDENT AGENT BY FILING FOR RECORD WITH THE DEPARTMENT
24 A STATEMENT OF THE CHANGE SIGNED BY AN AUTHORIZED PERSON.

25 (3) A DESIGNATION OR CHANGE OF A PRINCIPAL OFFICE OR
26 RESIDENT AGENT OR ADDRESS OF THE RESIDENT AGENT FOR A FOREIGN REAL
27 ESTATE INVESTMENT TRUST UNDER THIS SUBSECTION IS EFFECTIVE WHEN THE
28 DEPARTMENT ACCEPTS THE STATEMENT FOR RECORD.

29 (C) (1) A RESIDENT AGENT WHO CHANGES ADDRESSES IN THIS STATE
30 MAY NOTIFY THE DEPARTMENT OF THE CHANGE BY FILING FOR RECORD WITH THE
31 DEPARTMENT A STATEMENT OF THE CHANGE SIGNED BY OR ON BEHALF OF THE

1 RESIDENT AGENT.

2 (2) THE STATEMENT SHALL INCLUDE:

3 (I) THE NAME OF THE FOREIGN REAL ESTATE INVESTMENT
4 TRUST FOR WHICH THE CHANGE IS EFFECTIVE;

5 (II) THE OLD AND NEW ADDRESSES OF THE RESIDENT AGENT;
6 AND

7 (III) THE DATE ON WHICH THE CHANGE IS EFFECTIVE.

8 (3) IF THE OLD AND NEW ADDRESSES OF THE RESIDENT AGENT ARE
9 THE SAME AS THE OLD AND NEW ADDRESSES OF THE PRINCIPAL OFFICE OF THE
10 FOREIGN REAL ESTATE INVESTMENT TRUST, THE STATEMENT MAY INCLUDE A
11 CHANGE OF ADDRESS OF THE PRINCIPAL OFFICE IF:

12 (I) THE RESIDENT AGENT NOTIFIES THE FOREIGN REAL
13 ESTATE INVESTMENT TRUST IN WRITING; AND

14 (II) THE STATEMENT RECITES THAT NOTICE HAS BEEN SENT.

15 (4) THE CHANGE OF ADDRESS OF THE RESIDENT AGENT OR
16 PRINCIPAL OFFICE IS EFFECTIVE WHEN THE DEPARTMENT ACCEPTS THE
17 STATEMENT FOR RECORD.

18 (D) (1) A RESIDENT AGENT MAY RESIGN BY FILING WITH THE
19 DEPARTMENT A COUNTERPART OR PHOTOCOPY OF THE SIGNED RESIGNATION.

20 (2) UNLESS A LATER TIME IS SPECIFIED IN THE RESIGNATION, IT IS
21 EFFECTIVE:

22 (I) AT THE TIME IT IS FILED WITH THE DEPARTMENT, IF THE
23 FOREIGN REAL ESTATE INVESTMENT TRUST HAS APPOINTED A SUCCESSOR
24 RESIDENT AGENT; OR

25 (II) 10 DAYS AFTER IT IS FILED WITH THE DEPARTMENT, IF THE
26 FOREIGN REAL ESTATE INVESTMENT TRUST HAS NOT APPOINTED A SUCCESSOR
27 RESIDENT AGENT.

28 Article – Tax – Property

29 11-101.

1 (a) On or before April 15 of each year, a person shall submit an annual report to
2 the Department if:

3 (1) the person is a business trust, statutory trust, domestic corporation,
4 limited liability company, limited liability partnership, or limited partnership;

5 (2) the person is a foreign corporation, foreign statutory trust, foreign
6 limited liability company, foreign limited liability partnership, **FOREIGN REAL ESTATE**
7 **INVESTMENT TRUST**, or foreign limited partnership registered or qualified to do business
8 in the State; or

9 (3) the person owns or during the preceding calendar year owned property
10 that is subject to property tax.

11 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2022.