By: Delegate Fair
Introduced and read first time: February 10, 2023
Assigned to: Economic Matters

Committee Report: Favorable
House action: Adopted
Read second time: March 8, 2023

CHAPTER ____

AN ACT concerning

Corporations – Filing Requirements for Dissolution and Termination of Registration or Qualification – Repeal

FOR the purpose of repealing certain provisions of law applicable to the State Department of Assessments and Taxation that prohibit the acceptance of articles of dissolution and issuance of a certificate of termination for certain corporations unless certain reports on personal property are filed with the Department; and generally relating to the State Department of Assessments and Taxation, filing requirements, and the dissolution and termination of registration or qualification of corporations.

BY repealing and reenacting, with amendments,
Article – Corporations and Associations
Section 3–407 and 7–208
Annotated Code of Maryland
(2014 Replacement Volume and 2022 Supplement)

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

Article – Corporations and Associations

3–407.

(a) The corporation shall file articles of dissolution for record with the Department:

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

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

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

[(c) The Department may not accept articles of dissolution of a corporation for record unless the reports required by Title 11 of the Tax – Property Article have been filed.]

7–208.

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

(b) To terminate, the corporation shall file with the Department an application for termination.

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

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

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

(3) A statement that the corporation:

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

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

(4) A statement that the corporation:

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

   (ii) Has filed all reports required by law and has paid all taxes due by it to the State and any of its political subdivisions as of the date of the application for termination.
The Department shall issue a certificate of termination to the corporation if all reports required by Title 11 of the Tax – Property Article have been filed.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2023.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.