Article - Corporations and Associations

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§1–204.

(a) (1) In this section the following words have the meanings indicated.

(2) "Aggregate par value of capital stock" means the sum of the total par value of all classes of stock.

(3) "Corporation" includes a joint stock company.

(4) "Total par value of a class of capital stock" means:

(i) For a class of capital stock having par value, the par value per share of stock in the class times the number of authorized shares in the class; or

(ii) For a class of capital stock not having par value, $20 times the number of authorized shares in the class.

(b) There is an organization and capitalization fee imposed on:

(1) The aggregate par value of capital stock of a Maryland corporation that incorporates;

(2) An increase of the aggregate par value of capital stock of a Maryland corporation;

(3) A consolidation of corporations that results in a Maryland successor corporation that has an aggregate par value of capital stock that exceeds the aggregate par value of the consolidating corporations;

(4) A merger of corporations if the successor corporation has an aggregate par value that exceeds the aggregate par value of capital stock of the merging corporations; or

(5) The incorporation of:

(i) A Maryland corporation that does not have any capital stock;

(ii) A savings and loan association; or

(iii) A credit union.

(c) (1) Except as otherwise provided in this section, the organization and capitalization fee is as provided in the following schedule:

Aggregate Par Value of Capital Stock	Fee
Not over $100,000	$20
Over $100,000 but not over $1,000,000	$20, plus $1 for each $5,000 or fractional part of $5,000 that exceeds $100,000
Over $1,000,000 but not over $2,000,000	$200, plus $10 for each $100,000 or fractional part of $100,000 that exceeds $1,000,000
Over $2,000,000 but not over $5,000,000	$300, plus $15 for each $500,000 or fractional part of $500,000 that exceeds $2,000,000
Over $5,000,000	$390, plus $20 for each $1,000,000 or fractional part of $1,000,000 that exceeds $5,000,000

(2) The organization and capitalization fee is $20 for the incorporation of:

(i) A Maryland corporation that does not have any capital stock;

(ii) A savings and loan association; or

(iii) A credit union.

(d) (1) Except as otherwise provided in this subsection, the organization and capitalization fee for an increase in aggregate par value of capital stock is the fee computed on the aggregate par value including the proposed increase less the fee computed on the aggregate par value excluding the proposed increase.

(2) Except as provided in paragraph (3) of this subsection, the organization and capitalization fee on an increase in aggregate par value of capital stock of a railroad corporation that is incorporated under the laws of this State and

any other state is computed by multiplying the fee computed under paragraph (1) of this subsection by the proportion of the total track mileage of the railroad corporation in this State to the total track mileage of the railroad corporation.

(3) The minimum organization and capitalization fee on an increase in aggregate par value is $20.

(e) (1) Except as otherwise provided in this subsection, the organization and capitalization fee for the consolidation of existing corporations to form a Maryland successor corporation is the fee computed on the aggregate par value of capital stock of the successor corporation less the fee computed on the combined aggregate par value of capital stock of the consolidating corporations.

(2) If there is an increase in the aggregate par value as computed under paragraph (1) of this subsection, the minimum organization and capitalization fee due on a consolidation is $20.

(f) (1) Except as otherwise provided in this subsection, the organization and capitalization fee for the merger of existing corporations is the fee computed on the aggregate par value of capital stock of the successor corporation less the fee computed on the combined aggregate par value of capital stock of the merging corporations.

(2) If there is an increase in the aggregate par value as computed under paragraph (1) of this subsection, the minimum organization and capitalization fee due on a merger is $20.

(g) The organization and capitalization fee required by this section shall be paid to the Department before the Department may accept for record any charter document that requires an organization and capitalization fee.

(h) The Department shall give the Comptroller a monthly account of the organization and capitalization fees that the Department receives.

(i) The Department shall pay any organization and capitalization fees collected under this title into the General Fund of this State.

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