

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 308
Economic Matters

(Delegates Qi and Hill)

Judicial Proceedings

Corporations and Associations - Principal Offices - Private Mailboxes

This bill modifies the definition of a “principal office” under the Corporations and Associations Article by including an address supplied by a commercial mail receiving agency (CMRA) that a Maryland corporation, limited liability company, limited liability partnership, or limited partnership has a valid commercial mail receiving agreement with, in accordance with, U.S. Postal Service regulations. “Commercial mail receiving agency” means a person that is authorized by the U.S. Postal Service to accept the delivery of mail on behalf of another person as a business service. If a person designates an address provided by a CMRA as a principal office for purposes under the Corporations and Associations Article, the person acknowledges that the mail receiving agency must provide the contact information included in USPS Form 1583 to the State Department of Assessments and Taxation (SDAT) or a law enforcement agency on request.

Fiscal Summary

State Effect: Special fund revenues from filing fees increase beginning in FY 2027. It is assumed that SDAT can handle the bill’s requirements with existing resources, as discussed below.

Local Effect: The bill does not affect local government operations or finances.

Small Business Effect: Potential meaningful.

Analysis

Current Law: Under the Corporations and Associations Article, “principal office” means (1) the place in the State filed or recorded with SDAT as the principal office of a

Maryland corporation, limited liability company, limited liability partnership, or limited partnership, or (2) if there is no principal office designated, the main office of the aforementioned business entities in the State for the transaction of business.

Each Maryland corporation, limited liability company, limited liability partnership, or limited partnership must have a principal office in the State; the address of the principal office must be included in the applicable incorporation documents filed with SDAT. According to SDAT guidelines, the principal office must be a specific street address in Maryland.

The business entity may designate or change its principal office by filing a statement with SDAT signed by an authorized person of the entity; the change of principal office is effective when SDAT accepts the statement for record. SDAT charges a \$25 fee for regular processing of a notice of change of address of a principal office; an additional fee applies for expedited processing.

State Fiscal Effect: Special fund revenues increase, at least minimally, beginning in fiscal 2027 to the extent that existing business entities file to change their principal office address to an address supplied by a CMRA and pay the required filing fees.

The Department of Legislative Services notes that SDAT has not responded to a request to provide information on the fiscal and operational impact of the bill. This estimate assumes that SDAT can make any necessary changes to forms (online and paper) and develop guidance regarding the use of a CMRA with existing resources.

Small Business Effect: CMRAs may benefit from additional business generated by the ability to supply addresses for principal offices of Maryland business entities as a result of the bill.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - January 30, 2026
jg/jkb Third Reader - February 24, 2026

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