

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

S

3

SENATE BILL 157*

Finance Committee Substitute Adopted 4/7/97

House Committee Substitute Favorable 5/14/97

Short Title: Corporate Amendments.

(Public)

Sponsors:

Referred to:

February 17, 1997

A BILL TO BE ENTITLED

1 AN ACT TO EXPAND THE TIME CORPORATIONS AND LIMITED LIABILITY
2 COMPANIES MAY APPLY FOR REINSTATEMENT FROM
3 ADMINISTRATIVE DISSOLUTION, TO INCREASE THE FEE
4 CORPORATIONS MUST PAY FOR REINSTATEMENT AFTER
5 ADMINISTRATIVE DISSOLUTION, TO ESTABLISH A FEE LIMITED
6 LIABILITY COMPANIES MUST PAY FOR REINSTATEMENT AFTER
7 ADMINISTRATIVE DISSOLUTION, TO PROVIDE THAT ANNUAL REPORTS
8 OF MOST BUSINESS CORPORATIONS AND LIMITED LIABILITY
9 COMPANIES SHALL BE FILED WITH THE DEPARTMENT OF REVENUE
10 RATHER THAN THE SECRETARY OF STATE, TO AMEND THE LAW
11 GOVERNING DISSENTERS' RIGHTS PROCEDURES AND THE FILING OF
12 DOCUMENTS BY LIMITED LIABILITY COMPANIES, TO ALLOW
13 FACSIMILE SIGNATURES AND ADVISORY REVIEW OF DOCUMENTS BY
14 THE SECRETARY OF STATE, AND TO CLARIFY CORRECTIONS
15 PROCEDURES, LIMITED LIABILITY NAME AVAILABILITY, AND THE
16 DEFINITION OF FOREIGN PROFESSIONAL CORPORATIONS AS
17 RECOMMENDED BY THE GENERAL STATUTES COMMISSION AND
18 OTHERS.
19

20 The General Assembly of North Carolina enacts:

21 PART I. ADMINISTRATIVE DISSOLUTIONS.

22 Section 1. G.S. 55-14-22(a) reads as rewritten:

1 "(a) A corporation administratively dissolved under G.S. 55-14-21 may apply to
2 the Secretary of State for reinstatement ~~within two years~~ not later than five years after
3 the effective date of dissolution. The application must:

- 4 (1) Recite the name of the corporation and the effective date of its
5 administrative dissolution; and
- 6 (2) State that the ground or grounds for dissolution either did not exist or
7 have been eliminated.
- 8 (3) Reserved.
- 9 (4) Repealed by Session Laws 1995, c. 539, s. 6."

10 Section 2. G.S. 55A-14-22(a) reads as rewritten:

11 "(a) A corporation administratively dissolved under G.S. 55A-14-21 may apply to
12 the Secretary of State for reinstatement ~~within two years~~ not later than five years after
13 the effective date of dissolution. The application shall:

- 14 (1) Recite the name of the corporation and the effective date of its
15 administrative dissolution; and
- 16 (2) State that the ground or grounds for dissolution either did not exist or
17 have been eliminated."

18 Section 3. G.S. 57C-6-03(c) reads as rewritten:

19 "(c) A limited liability company administratively dissolved under this section may
20 apply to the Secretary of State for reinstatement ~~within two years~~ not later than five
21 years after the effective date of the administrative dissolution. The procedures for
22 reinstatement and for the appeal of any denial of the limited liability company's
23 application for reinstatement shall be the same procedures applicable to business
24 corporations under G.S. 55-14-22, 55-14-23, and 55-14-24."

25 Section 4. G.S. 55-1-22 reads as rewritten:

26 "**§ 55-1-22. Filing, service, and copying fees.**

27 (a) The Secretary of State shall collect the following fees when the documents
28 described in this subsection are delivered to ~~him~~ the Secretary for filing:

Document	Fee
(1) Articles of incorporation	\$100.00
(2) Application for reserved name	10.00
(3) Notice of transfer of reserved name	10.00
(4) Application for registered name	10.00
(5) Application for renewal of registered name	10.00
(6) Corporation's statement of change of registered agent or registered office or both	5.00
(7) Agent's statement of change of registered office for each affected corporation	5.00
(8) Agent's statement of resignation	No fee
(9) Designation of registered agent or registered office or both	5.00

- 1 (10) Amendment of articles of
2 incorporation 50.00
- 3 (11) Restated articles of incorporation 10.00
4 with amendment of articles 50.00
- 5 (12) Articles of merger or share exchange 50.00
- 6 (13) Articles of dissolution 30.00
- 7 (14) Articles of revocation of
8 dissolution 10.00
- 9 (15) Certificate of administrative
10 dissolution No fee
- 11 (16) Application for reinstatement
12 following administrative dissolution ~~25.00~~
13 100.00
- 14 (17) Certificate of reinstatement No fee
- 15 (18) Certificate of judicial dissolution No fee
- 16 (19) Application for certificate of
17 authority 200.00
- 18 (20) Application for amended certificate
19 of authority 50.00
- 20 (21) Application for certificate of
21 withdrawal 10.00
- 22 (22) Certificate of revocation of
23 authority to transact business No fee (23) Annual report
24 10.00
- 25 (24) Articles of correction 10.00
- 26 (25) Application for certificate of
27 existence or authorization 5.00
- 28 (26) Any other document required or
29 permitted to be filed by this Chapter 10.00.

30 (b) The Secretary of State shall collect a fee of ten dollars (\$10.00) each time
31 process is served on ~~him~~ the Secretary under this Chapter. The party to a proceeding
32 causing service of process is entitled to recover this fee as costs if ~~he~~ the party prevails
33 in the proceeding.

34 (c) The Secretary of State shall collect the following fees for copying,
35 comparing, and certifying a copy of any filed document relating to a domestic or foreign
36 corporation:

- 37 (1) One dollar (\$1.00) a page for copying or comparing a copy to the
38 original; and
- 39 (2) Five dollars (\$5.00) for the certificate."

40 Section 5. G.S. 55A-1-22 reads as rewritten:

41 "**§ 55A-1-22. Filing, service, and copying fees.**

42 (a) The Secretary of State shall collect the following fees when the documents
43 described in this subsection are delivered to the Secretary for filing: Document Fee

- 44 (1) Articles of incorporation \$50.00

- 1 (2) Application for reserved name \$10.00
- 2 (3) Notice of transfer of reserved name \$10.00
- 3 (4) Application for registered name \$10.00
- 4 (5) Application for renewal of registered
- 5 name \$10.00
- 6 (6) Corporation's statement of change of
- 7 registered agent or registered office or
- 8 both \$ 5.00
- 9 (7) Agent's statement of change of registered
- 10 office for each affected corporation \$ 5.00
- 11 (8) Agent's statement of resignation No fee
- 12 (9) Designation of registered agent or
- 13 registered office or both \$ 5.00
- 14 (10) Amendment of articles of incorporation \$25.00
- 15 (11) Restated articles of incorporation without
- 16 amendment of articles \$10.00
- 17 (12) Restated articles of incorporation with
- 18 amendment of articles \$25.00
- 19 (13) Articles of merger \$25.00
- 20 (14) Articles of dissolution \$15.00
- 21 (15) Articles of revocation of dissolution \$10.00
- 22 (16) Certificate of administrative dissolution No fee
- 23 (17) Application for reinstatement following
- 24 administrative dissolution ~~\$25.00~~
- 25 \$100.00
- 26 (18) Certificate of reinstatement No fee
- 27 (19) Certificate of judicial dissolution No fee
- 28 (20) Application for certificate of authority \$100.00
- 29 (21) Application for amended certificate of
- 30 authority \$25.00
- 31 (22) Application for certificate of withdrawal \$10.00
- 32 (23) Certificate of revocation of authority to
- 33 conduct affairs No fee
- 34 (24) Corporation's Statement of Change of
- 35 Principal Office \$5.00
- 36 (24a) Designation of Principal Office Address \$5.00
- 37 (25) Articles of correction \$10.00
- 38 (26) Application for certificate of existence or
- 39 authorization \$ 5.00
- 40 (27) Any other document required or
- 41 permitted to be filed by this Chapter \$10.00.

42 (b) The Secretary of State shall collect a fee of ten dollars (\$10.00) each time
43 process is served on the Secretary under this Chapter. The party to a proceeding causing

1 service of process is entitled to recover this fee as costs if the party prevails in the
2 proceeding.

3 (c) The Secretary of State shall collect the following fees for copying,
4 comparing, and certifying a copy of any filed document relating to a domestic or foreign
5 corporation:

6 (1) One dollar (\$1.00) a page for copying or comparing a copy to the
7 original; and

8 (2) Five dollars (\$5.00) for the certificate."

9 Section 6. G.S. 57C-1-22 reads as rewritten:

10 **"§ 57C-1-22. Filing, service, and copying fees.**

11 (a) The Secretary of State shall collect the following fees when the documents
12 described in this subsection are delivered to the Secretary of State for filing:

13	<u>Document</u>	<u>Fee</u>
14	(1) Articles of organization	\$100.00
15	(2) Application for reserved name	10.00
16	(3) Notice of transfer of reserved name	10.00
17	(4) Application for registered name	10.00
18	(5) Application for renewal of registered name	10.00
19	(6) Limited liability company's statement of	
20	change of registered agent or registered	
21	office or both	5.00
22	(7) Agent's statement of change of registered	
23	office for each affected limited	
24	liability company	5.00
25	(8) Agent's statement of resignation	No fee
26	(9) Designation of registered agent or	
27	registered office or both	5.00
28	(10) Amendment of articles of organization	50.00
29	(11) Restated articles of organization	
30	without amendment of articles	10.00
31	(12) Restated articles of organization	
32	with amendment of articles	50.00
33	(13) Articles of merger	50.00
34	(14) Articles of dissolution	30.00
35	(15) Articles of revocation of dissolution	10.00
36	(16) Certificate of administrative dissolution	No fee
37	(16a) <u>Application for reinstatement following</u>	
38	<u>administrative dissolution</u>	<u>100.00</u>
39	(17) Certificate of reinstatement	No fee
40	(18) Certificate of judicial dissolution	No fee
41	(19) Application for certificate of authority	200.00
42	(20) Application for amended certificate	
43	of authority	50.00
44	(21) Application for certificate of withdrawal	10.00

- 1 (22) Certificate of revocation of authority
2 to transact business No fee
3 (23) Articles of correction 10.00
4 (24) Application for certificate of existence
5 or authorization 5.00
6 (25) Annual report 200.00
7 (26) Any other document required or permitted
8 to be filed by this Chapter 10.00.

9 (b) The Secretary of State shall collect a fee of ten dollars (\$10.00) each time
10 process is served on the Secretary of State under this Chapter. The party to a
11 proceeding causing service of process is entitled to recover this fee as costs if ~~he~~the
12 party prevails in the proceeding.

13 (c) The Secretary of State shall collect the following fees for copying,
14 comparing, and certifying a copy of any filed document relating to a domestic or foreign
15 limited liability company:

- 16 (1) One dollar (\$1.00) a page for copying or comparing a copy to the
17 original; and
18 (2) Five dollars (\$5.00) for the certificate."

19 PART II. ANNUAL CORPORATE REPORT.

20 Section 7. G.S. 55-16-22 reads as rewritten:

21 "**§ 55-16-22. Annual report for Secretary of State report.**

22 (a) ~~Each~~Except as provided in subsections (a1) and (a2) of this section, each
23 domestic corporation except those governed by Chapter 55B, and each foreign
24 corporation authorized to transact business in this State, State shall deliver to the
25 Secretary of State for filing an annual report that sets forth: an annual report to the
26 Secretary of Revenue.

27 (a1) Each insurance company subject to the provisions of Chapter 58 of the
28 General Statutes shall deliver an annual report to the Secretary of State.

29 (a2) A domestic corporation governed by Chapter 55B of the General Statutes is
30 exempt from this section.

31 (a3) The annual report required by this section shall be in a form jointly prescribed
32 by the Secretary of Revenue and the Secretary of State. The Secretary of Revenue shall
33 provide the form needed to file an annual report. The annual report shall set forth all of
34 the following:

- 35 (1) The name of the corporation and the state or country under whose law
36 it is ~~incorporated;~~incorporated.
37 (2) The street address, and the mailing address if different from the street
38 address, of the registered office, the county in which its registered
39 office is located, and the name of its registered agent at that office in
40 this State, and a statement of any change of such registered office or
41 registered agent, or ~~both;~~both.
42 (3) The address and telephone number of its principal ~~office;~~office.
43 (4) The names, titles, and business addresses of its principal ~~officers;~~
44 officers.

- 1 ~~(4a) The names and business addresses of its directors; and~~
2 (5) A brief description of the nature of its business.

3 If the information contained in the most recently filed annual report has not changed, a
4 certification to that effect may be made instead of setting forth the information required
5 by subdivisions (2) through (5) of this subsection.

6 (b) Information in the annual report must be current as of the date the annual
7 report is executed on behalf of the corporation.

8 ~~(c) The annual report shall be delivered to the Secretary of State each year within~~
9 ~~60 days immediately following the last day of the month in which the domestic~~
10 ~~corporation was incorporated or the foreign corporation received a certificate of~~
11 ~~authority in this State. Forms required for the filing of the annual report shall be mailed~~
12 ~~by the Secretary of State to the domestic or foreign corporation at its registered office~~
13 ~~for the first annual report, then to its principal office for subsequent annual reports. An~~
14 annual report required to be delivered to the Secretary of Revenue is due by the due date
15 for filing the corporation's income and franchise tax returns. An extension of time to
16 file a return is an extension of time to file an annual report. An annual report required
17 to be delivered to the Secretary of State is due by the fifteenth day of the third month
18 following the close of the corporation's fiscal year.

19 (d) If an annual report does not contain the information required by this section,
20 the Secretary of State shall promptly notify the reporting domestic or foreign
21 corporation in writing and return the report to it for correction. If the report is corrected
22 to contain the information required by this section and delivered to the Secretary of
23 State within 30 days after the effective date of notice, it is deemed to be timely filed.

24 (e) Amendments to any previously filed annual report may be filed with the
25 Secretary of State at any time for the purpose of correcting, updating, or augmenting the
26 information contained in ~~such~~ the annual report.

27 (f) Expired.

28 ~~(g) When a statement of change of registered office or registered agent is filed in~~
29 the annual report, the change shall become effective when the statement is received by
30 the Secretary of State.

31 ~~(h) If the Secretary of State does not receive an annual report within 120 days of~~
32 the date the return is due, the Secretary of State may presume that the annual report is
33 delinquent. This presumption may be rebutted by receipt of the annual report from the
34 Secretary of Revenue or by evidence of delivery presented by the filing corporation."

35 Section 8. G.S. 55-1-21(a) reads as rewritten:

36 "(a) The Secretary of State may promulgate and furnish on request forms for:
37 the following:

38 (1) An application for a certificate of ~~existence;~~ existence.

39 (2) A foreign corporation's application for a certificate of authority to
40 transact business in this ~~State;~~ State.

41 (3) A foreign corporation's application for a certificate of ~~withdrawal; and~~
42 withdrawal.

43 ~~(4) The annual report.~~

44 If the Secretary of State so requires, use of these forms is mandatory."

1 Section 9. G.S. 55-1-22(a), as amended by Section 4 of this act, reads as
2 rewritten:

3 "(a) The Secretary of State shall collect the following fees when the documents
4 described in this subsection are delivered to the Secretary for filing:

	Document	Fee
5		
6	(1) Articles of incorporation	\$100.00
7	(2) Application for reserved name	10.00
8	(3) Notice of transfer of reserved name	10.00
9	(4) Application for registered name	10.00
10	(5) Application for renewal of	
11	registered name	10.00
12	(6) Corporation's statement of change of	
13	registered agent or registered	
14	office or both	5.00
15	(7) Agent's statement of change of	
16	registered office for each affected	
17	corporation	5.00
18	(8) Agent's statement of resignation	No fee
19	(9) Designation of registered agent or	
20	registered office or both	5.00
21	(10) Amendment of articles of	
22	incorporation	50.00
23	(11) Restated articles of incorporation	10.00
24	with amendment of articles	50.00
25	(12) Articles of merger or share exchange	50.00
26	(13) Articles of dissolution	30.00
27	(14) Articles of revocation of	
28	dissolution	10.00
29	(15) Certificate of administrative	
30	dissolution	No fee
31	(16) Application for reinstatement following	
32	administrative dissolution	100.00
33	(17) Certificate of reinstatement	No fee
34	(18) Certificate of judicial dissolution	No fee
35	(19) Application for certificate of	
36	authority	200.00
37	(20) Application for amended certificate	
38	of authority	50.00
39	(21) Application for certificate of	
40	withdrawal	10.00
41	(22) Certificate of revocation of	
42	authority to transact business	No fee
43	(23) Annual report	10.00
44	-	<u>20.00</u>

1 (24) Articles of correction 10.00

2 (25) Application for certificate of
3 existence or authorization 5.00

4 (26) Any other document required or
5 permitted to be filed by this Chapter 10.00."

6 Section 10. G.S. 55-1-28(b)(4) reads as rewritten:

7 "(4) That its most recent annual report required by G.S. 55-16-22 has either
8 been delivered to the Secretary of State; State or is not delinquent;."

9 Section 11. G.S. 55-14-20(2) reads as rewritten:

10 "(2) The corporation ~~does not deliver its annual report to the Secretary of~~
11 ~~State within 60 days after it is due; is delinquent in delivering its~~
12 annual report;."

13 Section 12. G.S. 55-15-30(a)(1) reads as rewritten:

14 "(1) The foreign corporation ~~does not deliver its annual report to the~~
15 ~~Secretary of State within 60 days after it is due; is delinquent in~~
16 delivering its annual report;."

17 Section 13. G.S. 55-16-01(e)(7) reads as rewritten:

18 "(7) Its most recent annual report delivered ~~to the Secretary of State under~~
19 as required by G.S. 55-16-22."

20 Section 14. G.S. 57C-2-23 reads as rewritten:

21 **"§ 57C-2-23. Annual report for Secretary of State.**

22 (a) Each domestic limited liability company and each foreign limited liability
23 company authorized to transact business in this State, shall deliver to the Secretary of
24 State for filing an annual ~~report~~ report, in a form jointly prescribed by the Secretary of
25 Revenue and Secretary of State, that sets forth; forth all of the following:

26 (1) The name of the limited liability or foreign limited liability company
27 and the state or country under whose law it is ~~organized;~~ organized.

28 (2) The street address, and the mailing address if different from the street
29 address, of the registered office, the county in which the registered
30 office is located, and the name of its registered agent at that office in
31 this State, and a statement of any change of the registered office or
32 registered agent, or ~~both;~~ both.

33 (3) The address and telephone number of its principal ~~office;~~ office.

34 (4) The names and business addresses of its ~~managers;~~ and managers.

35 (5) A brief description of the nature of its business.

36 If the information contained in the most recently filed annual report has not changed, a
37 certification to that effect may be made instead of setting forth the information required
38 by subdivisions (2) through (5) of this subsection. The Secretary of State shall make
39 available the form required to file an annual report.

40 (b) Information in the annual report must be current as of the date the annual
41 report is executed on behalf of the limited liability company or the foreign limited
42 liability company.

43 (c) The annual report shall be delivered to the Secretary of State ~~each year within~~
44 ~~60 days immediately following the last day of the month in which the domestic limited~~

1 liability company was organized or the foreign limited liability company received a
2 certificate of authority in this State. Forms required for the filing of the annual report
3 shall be mailed by the Secretary of State to the domestic or foreign limited liability
4 company at its registered office for the first annual report, and then to its principal office
5 for subsequent annual reports. by the fifteenth day of the fourth month following the
6 close of the limited liability company's fiscal year.

7 (d) If an annual report does not contain the information required by this section,
8 the Secretary of State shall promptly notify the reporting domestic or foreign limited
9 liability company in writing and return the report to it for correction. If the report is
10 corrected to contain the information required by this section and delivered to the
11 Secretary of State within 30 days after the effective date of notice, it is deemed to be
12 timely filed.

13 (e) Amendments to any previously filed annual report may be filed with the
14 Secretary of State at any time for the purpose of correcting, updating, or augmenting the
15 information contained in the annual report."

16 Section 15. G.S. 57C-1-22(b) reads as rewritten:

17 "(b) The Secretary of State shall collect a fee of ten dollars (\$10.00) each time
18 process is served on the Secretary of State under this Chapter. The party to a
19 proceeding causing service of process is entitled to recover this fee as costs if ~~he~~ the
20 party prevails in the proceeding."

21 Section 16. G.S. 57C-3-25(a) reads as rewritten:

22 "(a) Any person dealing with a limited liability company or a foreign limited
23 liability company may rely conclusively upon its most recent annual report and any
24 amendments ~~thereto filed with to it on file with~~ the Secretary of State pursuant to G.S.
25 57C-2-23 as to the identity of its managers, except to the extent the person has actual
26 knowledge that a person identified therein as a manager is not a manager."

27 Section 17. G.S. 105-228.90(a) reads as rewritten:

28 "(a) Scope. – This Article applies to Subchapters I, V, and VIII of this ~~Chapter~~
29 Chapter, to the annual report filing requirements of G.S. 55-16-22, and to inspection
30 taxes levied under Article 3 of Chapter 119 of the General Statutes."

31 Section 18. Article 9 of Chapter 105 of the General Statutes is amended by
32 adding a new section to read:

33 **"§ 105-257.1. Secretary to administer annual report filing; fee for filing report.**

34 (a) Filing Duty. – The Secretary must submit the annual reports filed with the
35 Secretary pursuant to G.S. 55-16-22 to the Secretary of State.

36 (b) Fee. – A corporation that files an annual report with the Secretary must pay a
37 fee of twenty dollars (\$20.00) with its annual report. The fees collected under this
38 subsection shall be credited to the General Fund as tax revenue."

39 Section 19. G.S. 105-259 reads as rewritten:

40 **"§ 105-259. Secrecy required of officials; penalty for violation.**

41 (a) Definitions. – The following definitions apply in this section:

42 (1) Employee or officer. – The term includes a former employee, a former
43 officer, and a current or former member of a State board or
44 commission.

- 1 (2) Tax information. – Any information from any source concerning the
2 liability of a taxpayer for a tax, as defined in G.S. 105-228.90. The
3 term includes the following:
- 4 a. Information contained on a tax return, a tax report, or an
5 application for a license for which a tax is imposed.
6 b. Information obtained through an audit of a taxpayer or by
7 correspondence with a taxpayer.
8 c. Information on whether a taxpayer has filed a tax return or a tax
9 report.
10 d. A list or other compilation of the names, addresses, social
11 security numbers, or similar information concerning taxpayers.
12 The term does not include (i) statistics classified so that information
13 about specific taxpayers cannot be ~~identified or (ii) identified~~, (ii) an
14 annual report required to be filed under G.S. 55-16-22 or (iii)
15 information submitted to the Business License Information Office of
16 the Department of Secretary of State on a master application form for
17 various business licenses.
- 18 (b) Disclosure Prohibited. – An officer, an employee, or an agent of the State
19 who has access to tax information in the course of service to or employment by the State
20 may not disclose the information to any other person unless the disclosure is made for
21 one of the following purposes:
- 22 (1) To comply with a court order or a law.
23 (2) Review by the Attorney General or a representative of the Attorney
24 General.
25 (3) Review by a tax official of another state or the Internal Revenue
26 Commissioner of the United States to aid the state or the
27 Commissioner in collecting a tax imposed by this State, the other state,
28 or the United States if the laws of the other state or the United States
29 allow the state or the United States to provide similar tax information
30 to a representative of this State.
31 (4) To provide a governmental agency or an officer of an organized
32 association of taxpayers with a list of taxpayers who have paid a
33 privilege license tax under Article 2 of this Chapter.
34 (5) To furnish to the chair of a board of county commissioners information
35 on the county sales and use tax.
36 (6) To sort, process, or deliver tax information on behalf of the
37 Department of Revenue.
38 (6a) To furnish the chair of a board of county commissioners a list of
39 claimants that have received a refund of the county sales or use tax to
40 the extent authorized in G.S. 105-164.14(f).
41 (7) To exchange information with the Division of Motor Vehicles of the
42 Department of Transportation when the information is needed to fulfill
43 a duty imposed on the Department of Revenue or the Division of
44 Motor Vehicles.

- 1 (8) To furnish to the Department of State Treasurer, upon request, the
2 name, address, and account and identification numbers of a taxpayer
3 who may be entitled to property held in the Escheat Fund.
- 4 (9) To furnish to the Employment Security Commission the name,
5 address, and account and identification numbers of a taxpayer when
6 the information is requested by the Commission in order to fulfill a
7 duty imposed under Article 2 of Chapter 96 of the General Statutes.
- 8 (10) Review by the State Auditor to the extent authorized in G.S. 147-64.7.
- 9 (11) To give a spouse who elects to file a joint tax return a copy of the
10 return or information contained on the return.
- 11 (11a) To provide a copy of a return to the taxpayer who filed the return.
- 12 (11b) In the case of a return filed by a corporation, a partnership, a trust, or
13 an estate, to provide a copy of the return or information on the return
14 to a person who has a material interest in the return if, under the
15 circumstances, section 6103(e)(1) of the Code would require
16 disclosure to that person of any corresponding federal return or
17 information.
- 18 (11c) In the case of a return of an individual who is legally incompetent or
19 deceased, to provide a copy of the return to the legal representative of
20 the estate of the incompetent individual or decedent.
- 21 (12) To contract with a financial institution for the receipt of withheld
22 income tax payments under G.S. 105-163.6 or for the transmittal of
23 payments by electronic funds transfer.
- 24 (13) To furnish the Fiscal Research Division of the General Assembly,
25 upon request, a sample, suitable in character, composition, and size for
26 statistical analyses, of tax returns or other tax information from which
27 taxpayers' names and identification numbers have been removed.
- 28 (14) To exchange information concerning a tax imposed by Subchapter V
29 of this Chapter with the Standards Division of the Department of
30 Agriculture when the information is needed to administer the Gasoline
31 and Oil Inspection Act, Article 3 of Chapter 119 of the General
32 Statutes.
- 33 (15) To exchange information concerning a tax imposed by Articles 2A,
34 2B, 2C, or 2D of this Chapter with one of the following agencies when
35 the information is needed to fulfill a duty imposed on the agency:
- 36 a. The North Carolina Alcoholic Beverage Control Commission.
- 37 b. The Division of Alcohol Law Enforcement of the Department
38 of Crime Control and Public Safety.
- 39 c. The Bureau of Alcohol, Tobacco, and Firearms of the United
40 States Treasury Department.
- 41 (16) To furnish to the Department of Secretary of State the name, address,
42 tax year end, and account and identification numbers of a corporation
43 liable for corporate income or franchise taxes or of a limited liability
44 company liable for a corporate or a partnership tax return to enable the

1 Secretary of State to notify the corporation or the limited liability
 2 company of the annual report filing requirement or that its articles of
 3 incorporation or articles of organization or its certificate of authority
 4 has been suspended.

5 (17) To inform the Business License Information Office of the Department
 6 of Secretary of State of the status of an application for a license for
 7 which a tax is imposed and of any information needed to process the
 8 application.

9 (18) To furnish to the Office of the State Controller the name, address, and
 10 account and identification numbers of a taxpayer upon request to
 11 enable the State Controller to verify statewide vendor files or track
 12 debtors of the State.

13 (19) To furnish to the North Carolina Industrial Commission information
 14 concerning workers' compensation reported to the Secretary under
 15 G.S. 105-163.7.

16 (c) Punishment. – A person who violates this section is guilty of a Class 1
 17 misdemeanor. If the person committing the violation is an officer or employee, that
 18 person shall be dismissed from public office or public employment and may not hold
 19 any public office or public employment in this State for five years after the violation."

20 PART III. AMENDMENT OF DISSENTERS' RIGHTS PROCEDURES.

21 Section 20. G.S. 55-13-22(b) reads as rewritten:

22 "(b) The dissenters' notice must be sent no later than 10 days after ~~the~~
 23 ~~corporate action was taken, shareholder approval, or if no shareholder approval is~~
 24 required, after the approval of the board of directors, of the corporate action creating
 25 dissenters' rights under G.S. 55-13-02, and must:

- 26 (1) State where the payment demand must be sent and where and when
 27 certificates for certificated shares must be deposited;
- 28 (2) Inform holders of uncertificated shares to what extent transfer of the
 29 shares will be restricted after the payment demand is received;
- 30 (3) Supply a form for demanding payment;
- 31 (4) Set a date by which the corporation must receive the payment demand,
 32 which date may not be fewer than 30 nor more than 60 days after the
 33 date the subsection (a) notice is mailed; and
- 34 (5) Be accompanied by a copy of this Article."

35 Section 21. G.S. 55-13-30 reads as rewritten:

36 "**§ 55-13-30. Court action.**

37 (a) If a demand for payment under G.S. 55-13-28 remains unsettled, the dissenter
 38 may commence a proceeding within 60 days after the date of his payment demand under
 39 G.S. 55-13-28 ~~and petition the court by filing a complaint with the Superior Court~~
 40 Division of the General Court of Justice to determine the fair value of the shares and
 41 accrued interest. ~~Upon~~ Within 10 days after service upon it of the ~~petition filed with the~~
 42 ~~court, complaint,~~ the corporation shall pay to the dissenter the amount offered by the
 43 corporation under G.S. 55-13-25.

1 (a1) If the dissenter does not commence the proceeding within the 60-day period,
2 the dissenter shall have an additional 30 days to either (i) accept in writing the amount
3 offered by the corporation under G.S. 55-13-25, upon which the corporation shall pay
4 such amount to the dissenter in full satisfaction of his demand, or (ii) withdraw his
5 demand for payment and resume the status of a nondissenting shareholder. A dissenter
6 who takes no action within such 30-day period shall be deemed to have withdrawn his
7 dissent and demand for payment.

8 (b) Reserved for future codification purposes.

9 (c) The court shall have the discretion to make all dissenters (whether or not
10 residents of this State) whose demands remain unsettled parties to the proceeding as in
11 an action against their shares and all parties must be served with a copy of the ~~petition-~~
12 complaint. Nonresidents may be served by registered or certified mail or by publication
13 as provided by law.

14 (d) The jurisdiction of the superior court in which the proceeding is commenced
15 under ~~subsection (b)-~~subsection (a) is plenary and exclusive. The court may appoint one
16 or more persons as appraisers to receive evidence and recommend decision on the
17 question of fair value. The appraisers have the powers described in the order appointing
18 them, or in any amendment to it. The parties are entitled to the same discovery rights as
19 parties in other civil proceedings. The proceeding shall be tried as in other civil actions.
20 However, in a proceeding by a dissenter in a ~~public corporation,~~corporation that was a
21 public corporation immediately prior to consummation of the corporate action giving
22 rise to the right of dissent under G.S. 55-13-02, there is no right to a trial by jury.

23 (e) Each dissenter made a party to the proceeding is entitled to judgment for the
24 amount, if any, by which the court finds the fair value of his shares, plus interest,
25 exceeds the amount paid by the corporation."

26 PART IV. ADVISORY REVIEW OF PRELIMINARY DRAFTS OF DOCUMENTS.

27 Section 22. Article 1 of Chapter 55 of the General Statutes is amended by
28 adding a new section to read:

29 **"§ 55-1-22.2. Advisory review of documents.**

30 The Secretary of State shall provide for the review of a document prior to its
31 submission for filing to determine whether it satisfies the requirements of this Chapter.
32 Submission of a document for review shall be accompanied by the proper fee and shall
33 be in accordance with procedures adopted by rule by the Secretary of State. The
34 advisory review shall be completed within 24 hours after submission, excluding
35 weekends and holidays, unless the person submitting the document is otherwise notified
36 in accordance with procedures adopted by rule by the Secretary of State fixing priority
37 between submissions under this section and filings under G.S. 55-1-22.1. Upon
38 completion of the advisory review, the Secretary of State shall notify the person
39 submitting the document of any deficiencies in the document that would prevent its
40 filing."

41 Section 23. Article 1 of Chapter 55A of the General Statutes is amended by
42 adding a new section to read:

43 **"§ 55A-1-22.2. Advisory review of documents.**

1 The Secretary of State shall provide for the review of a document prior to its
 2 submission for filing to determine whether it satisfies the requirements of this Chapter.
 3 Submission of a document for review shall be accompanied by the proper fee and shall
 4 be in accordance with procedures adopted by rule by the Secretary of State. At the time
 5 of the advisory review, the Secretary of State shall notify the State. The advisory
 6 review shall be completed within 24 hours after submission, excluding weekends and
 7 holidays, unless the person submitting the document is otherwise notified in accordance
 8 with procedures adopted by rule by the Secretary of State fixing priority between
 9 submissions under this section and filings under G.S. 55A-1-22.1. Upon completion of
 10 the advisory review, the Secretary of State shall notify the person submitting the
 11 document of any deficiencies in the document that would prevent its filing."

12 Section 24. Article 1 of Chapter 57C of the General Statutes is amended by
 13 adding a new section to read:

14 **"§ 57C-1-22.2. Advisory review of documents.**

15 The Secretary of State shall provide for the review of a document prior to its
 16 submission for filing to determine whether it satisfies the requirements of this Chapter.
 17 Submission of a document for review shall be accompanied by the proper fee and shall
 18 be in accordance with procedures adopted by rule by the Secretary of State. The
 19 advisory review shall be completed within 24 hours after submission, excluding
 20 weekends and holidays, unless the person submitting the document is otherwise notified
 21 in accordance with procedures adopted by rule by the Secretary of State fixing priority
 22 between submissions under this section and filings under G.S. 57C-1-22.1. Upon
 23 completion of the advisory review, the Secretary of State shall notify the person
 24 submitting the document of any deficiencies in the document that would prevent its
 25 filing."

26 Section 25. Article 5 of Chapter 59 of the General Statutes is amended by
 27 adding a new section to read:

28 **"§ 59-206.2. Advisory review of documents.**

29 The Secretary of State shall provide for the review of a document prior to its
 30 submission for filing to determine whether it satisfies the requirements of this Article.
 31 Submission of a document for review shall be accompanied by the proper fee and shall
 32 be in accordance with procedures adopted by rule by the Secretary of State. The
 33 advisory review shall be completed within 24 hours after submission, excluding
 34 weekends and holidays, unless the person submitting the document is otherwise notified
 35 in accordance with procedures adopted by rule by the Secretary of State fixing priority
 36 between submissions under this section and expedited filings as authorized by G.S. 59-
 37 1106. Upon completion of the advisory review, the Secretary of State shall notify the
 38 person submitting the document of any deficiencies in the document that would prevent
 39 its filing."

40 Section 26. G.S. 55-1-22(a), as amended by Sections 4 and 9 of this act,
 41 reads as rewritten:

42 "(a) The Secretary of State shall collect the following fees when the documents
 43 described in this subsection are delivered to the Secretary for filing:

Document	Fee
----------	-----

1	(1)	Articles of incorporation	\$100.00
2	(2)	Application for reserved name	10.00
3	(3)	Notice of transfer of reserved name	10.00
4	(4)	Application for registered name	10.00
5	(5)	Application for renewal of	
6		registered name	10.00
7	(6)	Corporation's statement of change of	
8		registered agent or registered	
9		office or both	5.00
10	(7)	Agent's statement of change of	
11		registered office for each affected	
12		corporation	5.00
13	(8)	Agent's statement of resignation	No fee
14	(9)	Designation of registered agent or	
15		registered office or both	5.00
16	(10)	Amendment of articles of	
17		incorporation	50.00
18	(11)	Restated articles of incorporation	10.00
19		with amendment of articles	50.00
20	(12)	Articles of merger or share exchange	50.00
21	(13)	Articles of dissolution	30.00
22	(14)	Articles of revocation of	
23		dissolution	10.00
24	(15)	Certificate of administrative	
25		dissolution	No fee
26	(16)	Application for reinstatement	
27		following administrative dissolution	100.00
28	(17)	Certificate of reinstatement	No fee
29	(18)	Certificate of judicial dissolution	No fee
30	(19)	Application for certificate of	
31		authority	200.00
32	(20)	Application for amended certificate	
33		of authority	50.00
34	(21)	Application for certificate of	
35		withdrawal	10.00
36	(22)	Certificate of revocation of	
37		authority to transact business	No fee
38	(23)	Annual report	20.00
39	(24)	Articles of correction	10.00
40	(25)	Application for certificate of	
41		existence or authorization	5.00
42	(26)	Any other document required or	
43		permitted to be filed by this Chapter	10.00
44			<u>10.00</u>

1 (27) Advisory review of a document 200.00."
 2 Section 27. G.S. 55A-1-22(a), as amended by Section 5 of this act, reads as
 3 rewritten:

4 "(a) The Secretary of State shall collect the following fees when the documents
 5 described in this subsection are delivered to the Secretary for filing:

Document	Fee
(1) Articles of incorporation	\$50.00
(2) Application for reserved name	\$10.00
(3) Notice of transfer of reserved name	\$10.00
(4) Application for registered name	\$10.00
(5) Application for renewal of registered name	\$10.00
(6) Corporation's statement of change of registered agent or registered office or both	\$ 5.00
(7) Agent's statement of change of registered office for each affected corporation	\$ 5.00
(8) Agent's statement of resignation	No fee
(9) Designation of registered agent or registered office or both	\$ 5.00
(10) Amendment of articles of incorporation	\$25.00
(11) Restated articles of incorporation without amendment of articles	\$10.00
(12) Restated articles of incorporation with amendment of articles	\$25.00
(13) Articles of merger	\$25.00
(14) Articles of dissolution	\$15.00
(15) Articles of revocation of dissolution	\$10.00
(16) Certificate of administrative dissolution	No fee
(17) Application for reinstatement following administrative dissolution	\$100.00
(18) Certificate of reinstatement	No fee
(19) Certificate of judicial dissolution	No fee
(20) Application for certificate of authority	\$100.00
(21) Application for amended certificate of authority	\$25.00
(22) Application for certificate of withdrawal	\$10.00
(23) Certificate of revocation of authority to conduct affairs	No fee
(24) Corporation's Statement of Change of Principal Office	\$5.00
(24a) Designation of Principal Office Address	\$5.00
(25) Articles of correction	\$10.00
(26) Application for certificate of existence or	

1 authorization \$ 5.00
 2 (27) Any other document required or
 3 permitted to be filed by this Chapter ~~\$10.00.~~
 4 \$10.00

5 (28) Advisory review of a document \$200.00."

6 Section 28. G.S. 57C-1-22(a), as amended by Section 6 of this act, reads as
 7 rewritten:

8 "(a) The Secretary of State shall collect the following fees when the documents
 9 described in this subsection are delivered to the Secretary of State for filing:

10	Document	Fee
11	(1) Articles of organization	\$100.00
12	(2) Application for reserved name	10.00
13	(3) Notice of transfer of reserved name	10.00
14	(4) Application for registered name	10.00
15	(5) Application for renewal of registered name	10.00
16	(6) Limited liability company's statement of	
17	change of registered agent or registered	
18	office or both	5.00
19	(7) Agent's statement of change of registered	
20	office for each affected limited	
21	liability company	5.00
22	(8) Agent's statement of resignation	No fee
23	(9) Designation of registered agent or	
24	registered office or both	5.00
25	(10) Amendment of articles of organization	50.00
26	(11) Restated articles of organization	
27	without amendment of articles	10.00
28	(12) Restated articles of organization	
29	with amendment of articles	50.00
30	(13) Articles of merger	50.00
31	(14) Articles of dissolution	30.00
32	(15) Articles of revocation of dissolution	10.00
33	(16) Certificate of administrative dissolution	No fee
34	(16a) Application for reinstatement following	
35	administrative dissolution	100.00
36	(17) Certificate of reinstatement	No fee
37	(18) Certificate of judicial dissolution	No fee
38	(19) Application for certificate of authority	200.00
39	(20) Application for amended certificate	
40	of authority	50.00
41	(21) Application for certificate of withdrawal	10.00
42	(22) Certificate of revocation of authority	
43	to transact business	No fee
44	(23) Articles of correction	10.00

- 1 (24) Application for certificate of existence
2 or authorization 5.00
3 (25) Annual report 200.00
4 (26) Any other document required or permitted
5 to be filed by this Chapter ~~10.00.~~
6 10.00
7 (27) Advisory review of a document 200.00."
8 Section 29. G.S. 59-1106 reads as rewritten:

9 "§ 59-1106. Fees.

10 The Secretary of State shall collect the following fees and remit them to the State
11 Treasurer for the use of the State:

- 12 (1) For filing a certificate of limited partnership
13 (G.S. 59-201) \$50.00
14 (2) For filing a certificate of amendment
15 (G.S. 59-202; 59-905) 25.00
16 (3) For filing a certificate of cancellation
17 (G.S. 59-203; 59-906) 25.00
18 (4) For filing an application for reservation of name
19 (G.S. 59-104(a)) 10.00
20 (5) For filing a transfer of name
21 (G.S. 59-104(d)) 10.00
22 (6) For filing an application for registration
23 as foreign limited partnership
24 (G.S. 59-502) 50.00
25 (7) For preparing and furnishing a copy of any
26 document, instrument or paper filed or recorded
27 relating to a limited partnership
28 (G.S. 59-206(c)) For each page 1.00
29 For affixing ~~his~~ the certificate and official seal thereto 5.00
30 (8) For comparing a copy furnished to him of any
31 document, instrument or paper filed or recorded
32 relating to a limited partnership
33 For each page 1.00
34 (9) For filing any other document not herein specifically
35 provided for 10.00
36 (10) For the expedited filing by the end of the same
37 business day of a document received in good order
38 by 12:00 noon Eastern Standard Time 200.00
39 additional fee
40 (11) For the expedited filing of a document received in
41 good order within 24 hours after receipt, excluding
42 weekends and holidays 100.00
43 ~~additional fee.~~
44 additional fee

1 (12) Advisory review of a document 200.00.

2 The Secretary of State shall not collect the fees allowed in subdivisions (10) and
3 (11) of this section unless the person submitting the document for filing requests an
4 expedited filing and is informed by the Secretary of State of the fees prior to the filing
5 of the document. Upon receipt of a document in proper form and payment of the
6 required filing fee, the Secretary of State shall guarantee the expedited filing of the
7 document."

8 PART V. CLARIFICATION OF ARTICLES OF CORRECTION PROCEDURES.

9 Section 30. G.S. 55-1-24(a) reads as rewritten:

10 "(a) A domestic or foreign corporation may correct a document filed by the
11 Secretary of State if the document (1) contains ~~an incorrect statement~~ a statement that is
12 incorrect and was incorrect when the document was filed or (2) was defectively
13 executed, attested, sealed, verified, or acknowledged."

14 Section 31. G.S. 55A-1-24(a) reads as rewritten:

15 "(a) A domestic or foreign corporation may correct a document filed by the
16 Secretary of State if the document (i) contains ~~an incorrect statement~~ a statement that is
17 incorrect and was incorrect when the document was filed or (ii) was defectively
18 executed, attested, sealed, verified, or acknowledged."

19 Section 32. G.S. 57C-1-24(a) reads as rewritten:

20 "(a) A domestic or foreign limited liability company may correct a document filed
21 by the Secretary of State if the document (i) contains ~~an incorrect statement~~ a statement
22 that is incorrect and was incorrect when the document was filed or (ii) was defectively
23 ~~executed.~~ executed, attested, sealed, verified, or acknowledged."

24 Section 33. G.S. 59-206(a) is amended by adding a new subdivision to read:

25 "(2b) A domestic or foreign limited partnership may correct a document
26 filed by the Secretary of State if the document (i) contains a
27 statement that is incorrect and was incorrect when the document
28 was filed or (ii) was defectively executed, attested, sealed, verified,
29 or acknowledged."

30 PART VI. RESTATEMENT OF LIMITED LIABILITY COMPANY ARTICLES OF
31 ORGANIZATION.

32 Section 34. Article 2 of Chapter 57C of the General Statutes is amended by
33 adding a new section to read:

34 **"§ 57C-2-22.1. Restated articles of organization.**

35 (a) A limited liability company may restate its articles of organization at any time
36 with or without member action.

37 (b) The restated articles of organization may include one or more amendments to
38 the articles. Unless otherwise provided in the articles of organization or a written
39 operating agreement, any amendment requires the unanimous vote of the members. The
40 restated articles of organization may include a statement of the address of the current
41 registered office and the name of the current registered agent of the limited liability
42 company.

43 (c) A limited liability company restating its articles of organization shall deliver
44 to the Secretary of State for filing articles of restatement that:

- 1 (1) Set forth the name of the limited liability company.
 2 (2) Attach as an exhibit thereto the text of the restated articles of
 3 organization.
 4 (3) State that the restated articles of organization do not contain an
 5 amendment or, if the articles do contain an amendment, that there
 6 is an amendment that was approved as required by this Chapter.

7 (d) Duly adopted restated articles of organization supersede the original articles
 8 of organization and all amendments to them.

9 (e) The Secretary of State may certify restated articles of organization as the
 10 articles of organization currently in effect, without including the other information
 11 required by subsection (c) of this section."

12 PART VII. CANCELLATION OF ARTICLES OF DISSOLUTION OF LIMITED
 13 LIABILITY COMPANY.

14 Section 35. Article 6 of Chapter 57C is amended by adding a new section to
 15 read:

16 **"§ 57C-6-06.1. Cancellation of articles of dissolution.**

17 After the filing of articles of dissolution by a limited liability company dissolved
 18 pursuant to G.S. 57C-6-01(4) because of the happening of an event of withdrawal,
 19 the articles of dissolution may be cancelled if, within 90 days after the event of
 20 withdrawal, all remaining members agree in writing that the business of the limited
 21 liability company should be continued and the limited liability company files articles of
 22 cancellation with the Secretary of State. The Articles of Cancellation shall set forth:

- 23 (1) The name of the limited liability company;
 24 (2) The date of the event of withdrawal described in the articles of
 25 dissolution;
 26 (3) The date of filing of the company's articles of dissolution;
 27 (4) A statement that within 90 days after the event of withdrawal, all
 28 remaining members have agreed in writing that the business of the
 29 limited liability company may be continued; and
 30 (5) Any other information the members or managers filing the articles
 31 of cancellation determine."

32 Section 36. G.S. 57C-1-22(a) reads as rewritten:

33 "(a) The Secretary of State shall collect the following fees when the documents
 34 described in this subsection are delivered to the Secretary of State for filing:

	<u>Document</u>	<u>Fee</u>
36	(1) Articles of organization	\$100.00
37	(2) Application for reserved name	10.00
38	(3) Notice of transfer of reserved name	10.00
39	(4) Application for registered name	10.00
40	(5) Application for renewal of registered name	10.00
41	(6) Limited liability company's statement of	
42	change of registered agent or registered	
43	office or both	5.00
44	(7) Agent's statement of change of registered	

1	office for each affected limited	
2	liability company	5.00
3	(8) Agent's statement of resignation	No fee
4	(9) Designation of registered agent or	
5	registered office or both	5.00
6	(10) Amendment of articles of organization	50.00
7	(11) Restated articles of organization	
8	without amendment of articles	10.00
9	(12) Restated articles of organization	
10	with amendment of articles	50.00
11	(13) Articles of merger	50.00
12	(14) Articles of dissolution	30.00
13	(15) Articles-Cancellation of articles of revocation of	
14	dissolution	10.00
15	(16) Certificate of administrative dissolution	No fee
16	(17) Certificate of reinstatement	No fee
17	(18) Certificate of judicial dissolution	No fee
18	(19) Application for certificate of authority	200.00
19	(20) Application for amended certificate	
20	of authority	50.00
21	(21) Application for certificate of withdrawal	10.00
22	(22) Certificate of revocation of authority	
23	to transact business	No fee
24	(23) Articles of correction	10.00
25	(24) Application for certificate of existence	
26	or authorization	5.00
27	(25) Annual report	200.00
28	(26) Any other document required or permitted	
29	to be filed by this Chapter	10.00."

30 PART VIII. AVAILABILITY OF LIMITED LIABILITY COMPANY NAME.

31 Section 37. G.S. 57C-2-30(f) reads as rewritten:

32 "(f) The name of a limited liability company dissolved under ~~G.S. 57C-6-03~~
 33 Article 6 of this Chapter may not be used by another limited liability ~~company~~
 34 company, business corporation, nonprofit corporation, or limited partnership until the
 35 expiration of two years after the effective date of the dissolution until:

36 (1) In the case of a dissolution pursuant to G.S. 57C-6-01, the later of (i)
 37 the date of filing of articles of dissolution pursuant to G.S. 57C-6-06 or
 38 (ii) the expiration of the time within which articles of dissolution of the
 39 limited liability company may be canceled pursuant to G.S. 57C-6-
 40 06.1; or

41 (2) In the case of an administrative dissolution pursuant to G.S. 57C-6-03,
 42 the expiration of the period within which the limited liability company
 43 may be reinstated pursuant to G.S. 57C-6-03, if the limited liability

1 company's period of duration stated in its articles of organization or
2 written operating agreement has not expired,
3 unless the dissolved limited liability company changes its name to a name
4 distinguishable upon the records of the Secretary of State from the names of other
5 limited liability companies, business corporations, nonprofit corporations, or limited
6 partnerships organized or transacting business in this State."

7 PART IX. AUTHORIZATION OF FACSIMILE SIGNATURES FOR LIMITED
8 PARTNERSHIP DOCUMENTS.

9 Section 38. G.S. 59-204 is amended by adding a new subsection to read:

10 "(b1) Any signature on any document authorized to be filed with the Secretary of
11 State under any provision of this Article may be a facsimile."

12 PART X. MODIFICATION OF DEFINITION OF FOREIGN PROFESSIONAL
13 CORPORATION.

14 Section 39. G.S. 55B-16(b) reads as rewritten:

15 "(b) For purposes of this section, 'foreign professional corporation' means a
16 corporation for profit ~~that is that:~~

17 (1) Is incorporated under a law other than the law of this State-State;

18 (2) Is incorporated for the sole and specific purpose of rendering
19 professional services of the type that if rendered in this State would
20 require the obtaining of a license from a licensing board pursuant to
21 the statutory provisions referred to in ~~G.S. 55B-2(6)~~ G.S. 55B-2(6);
22 and that (i) ~~has as its shareholders only individuals who are duly~~
23 licensed, in this State or some other state, to render the same
24 professional services as the corporation, or (ii) is organized for the
25 purpose of rendering professional services of the type defined in
26 Chapters 83A, 89A, 89C, and 89E of the General Statutes, and has as
27 its shareholders only individuals who are duly licensed, in this State or
28 in another state, to render the same professional services as the
29 corporation or who are nonlicensed employees of the corporation,
30 provided that nonlicensed employees own not more than one third of
31 the total issued and outstanding shares of the corporation, or (iii) is
32 described in G.S. 55B-15.

33 (3) Has as its shareholders only individuals who:

34 a. Qualify to hold shares of a corporation organized under this
35 Chapter;

36 b. Are licensed to provide professional services as defined in G.S.
37 55B-2(6) in a state in which the corporation is incorporated or is
38 authorized to transact business, provided that such professional
39 services are the same as the professional service rendered by the
40 corporation; or

41 c. Are nonlicensed employees of a corporation rendering services
42 of the type defined in Chapters 83A, 89A, 89C, and 89E of the
43 General Statutes provided that all such nonlicensed employees

1 own no more than one-third of the total issued and outstanding
2 shares of such corporation in the aggregate."

3 PART XI. CORRECTION OF DELAYED EFFECTIVE DATE STATUTES FOR
4 LIMITED PARTNERSHIP DOCUMENTS.

5 Section 40. G.S. 59-201(b) reads as rewritten:

6 "(b) ~~A-Unless a delayed effective date is specified in the certificate of limited~~
7 ~~partnership, a~~ limited partnership is formed at the ~~time~~ effective time and date of the
8 filing of the certificate of limited partnership in the office of the Secretary of State ~~or at~~
9 ~~any later time not more than 20 days subsequent to the endorsement of the Secretary of~~
10 ~~State specified in the certificate of limited partnership if, in either case, if~~ there has been
11 substantial compliance with the requirements of this section."

12 Section 41. G.S. 59-203 reads as rewritten:

13 **"§ 59-203. Cancellation of certificate.**

14 A certificate of limited partnership shall be cancelled upon the dissolution and the
15 commencement of winding up of the partnership or at any other time that there are no
16 limited partners. A certificate of cancellation shall be filed in the office of the Secretary
17 of State and set forth:

- 18 (1) The name of the limited partnership;
- 19 (2) The date of filing of its certificate of limited partnership;
- 20 (3) The reason for filing the certificate of cancellation;
- 21 (4) The effective date ~~(which shall be a date certain not more than 20 days~~
22 ~~from the date of filing)~~ of cancellation if it is not to be effective upon
23 the filing of the certificate; and
- 24 (5) Any other information the partners filing the certificate determine."

25 PART XII. REMOVAL OF "CONFORMING TO LAW" LANGUAGE IN REVISED
26 UNIFORM LIMITED PARTNERSHIP ACT.

27 Section 42. G.S. 59-206(a)(2) reads as rewritten:

28 "(2) The original document so signed, together with the conformed copy,
29 shall be delivered to the Secretary of State. ~~Unless~~ If the Secretary
30 finds that it ~~does not conform to law,~~ satisfies the requirements of this
31 Article, the Secretary shall, when the proper fees have been tendered,
32 endorse upon the original the word 'filed' and the hour, day, month and
33 year of the filing thereof and shall file the same in the Secretary's
34 office. The Secretary of State shall thereupon immediately compare
35 the copy with the original and if the Secretary finds that they are
36 identical the Secretary shall make upon the conformed copy the same
37 endorsement which appears on the original and shall attach to the copy
38 a certificate stating that attached thereto is a true copy of the
39 document, designated by an appropriate title, filed in the Secretary's
40 office and showing the date of the filing. The Secretary shall thereupon
41 return the copy so certified to the limited partnership or its
42 representatives. Any documents filed with the Secretary of State
43 pursuant to this Chapter may be maintained by the Secretary either in
44 their original form or in photographic, microfilm, optical disk media,

1 or other reproduced form. The Secretary may make reproductions of
2 documents filed under this Chapter, or under any predecessor act, by
3 photographic, microfilm, optical disk media, or other means of
4 reproduction, and may destroy the originals of the documents
5 reproduced. The Secretary of State may correct apparent errors and
6 omissions on a document submitted for filing if authorized to make the
7 corrections by the person submitting the document for filing. The
8 authorization to make the corrections shall be confirmed, according to
9 procedures adopted by rule, by the Secretary prior to making the
10 correction."

11 Section 43. G.S. 59-903(a) reads as rewritten:

12 "(a) If the Secretary of State finds that an application ~~conforms to law~~ he satisfies
13 the requirements of this Article, the Secretary shall, when all requisite fees have been
14 tendered as in this Article prescribed:

- 15 (1) Endorse on the application the word 'filed', and the hour, day, month
16 and year of the filing thereof;
- 17 (2) File in ~~his~~ the office the application;
- 18 (3) Issue a certificate of authority to transact business in this State to
19 which ~~he~~ the Secretary shall affix the conformed copy of the
20 application; and
- 21 (4) Send to the foreign limited partnership or its representative the
22 certificate of authority, together with the conformed copy of the
23 application affixed thereto."

24 PART XIII. EFFECTIVE DATES.

25 Section 44. (a) Sections 1 through 6 and Section 19 of this act become effective
26 July 1, 1997. Sections 7 through 18 of this act become effective January 1, 1998, and
27 apply to tax years ending on or after December 31, 1997, in the case of corporations
28 required to file annual reports with the Secretary of Revenue and to fiscal years ending
29 on or after December 31, 1997, in the case of corporations required to file annual
30 reports with the Secretary of State. Sections 30 through 33, 39, 42, 43, and 44 of this act
31 are effective when the act becomes law. The remainder of this act becomes effective
32 October 1, 1997. Section 20 of this act applies to dissenter's rights created pursuant to
33 G.S. 55-13-02 on or after October 1, 1997, and Section 21 of this act applies to
34 proceedings commenced on or after October 1, 1997. Sections 22 through 29 of this act
35 apply to requests for review of documents on or after that date.

36 (b) Annual reports delivered to either the Secretary of State or the Secretary of
37 Revenue after December 31, 1997, but before January 1999, shall nevertheless be
38 deemed filed with the correct State agency. The Secretary of State shall notify the
39 Secretary of Revenue of reports erroneously filed with the Secretary of State, and the
40 Secretary of Revenue shall notify the Secretary of State of reports erroneously filed with
41 the Secretary of Revenue.