

HOUSE BILL 891

C1

01r0068

By: **Chair, Economic Matters Committee (By Request – Departmental – Assessments and Taxation)**

Introduced and read first time: February 3, 2020

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: March 9, 2020

CHAPTER _____

1 AN ACT concerning

2 **Foreign Corporations – Resident Agents – State Department of Assessments and**
3 **Taxation**

4 FOR the purpose of authorizing a foreign corporation to certify that the State Department
5 of Assessments and Taxation is the corporation's resident agent when registering
6 with the Department; authorizing a foreign corporation to certify that the
7 Department is the corporation's resident agent when qualifying with the
8 Department; authorizing the Department to act as a resident agent for a foreign
9 corporation that does business in the State without a resident agent or with a
10 resident agent who cannot be found or served with the exercise of reasonable
11 diligence; making a stylistic change; and generally relating to resident agents of
12 foreign corporations.

13 BY repealing and reenacting, with amendments,
14 Article – Corporations and Associations
15 Section 7–202, 7–203, and 7–205
16 Annotated Code of Maryland
17 (2014 Replacement Volume and 2019 Supplement)

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

20 **Article – Corporations and Associations**

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.



7–202.

(a) Unless it is qualified to do business under § 7–203 of this subtitle, before doing any interstate or foreign business in this State, a foreign corporation shall register with the Department.

(b) To register, the corporation shall:

(1) Certify to the Department:

(i) The address of the corporation; and

(ii) **1.** The name and address of [its] **THE CORPORATION’S** resident agent in this State; **OR**

2. THAT THE CORPORATION IS APPOINTING THE DEPARTMENT AS ITS RESIDENT AGENT; and

(2) Provide proof acceptable to the Department of good standing in the jurisdiction where it currently is organized.

(c) Unless terminated by the corporation, the registration is effective as long as the corporation has a resident agent in this State.

7–203.

(a) Before doing any intrastate business in this State, a foreign corporation shall qualify with the Department.

(b) To qualify, the corporation shall:

(1) Certify to the Department:

(i) The address of the corporation; and

(ii) **1.** The name and address of [its] **THE CORPORATION’S** resident agent in this State; **OR**

2. THAT THE CORPORATION IS APPOINTING THE DEPARTMENT AS ITS RESIDENT AGENT; and

(2) Provide proof acceptable to the Department of good standing in the jurisdiction where it currently is organized.

(c) Unless terminated by the corporation, the qualification is effective as long as:

(1) The corporation has a resident agent in this State;

(2) The corporation does not forfeit its right to do intrastate business under the laws of this State; and

(3) If the corporation qualifies or changes its name after June 1, 1951, the name of the corporation complies with the requirements of Title 1, Subtitle 5 of this article. 7–205.

(a) As long as it is subject to suit in this State, a foreign corporation which has registered or qualified to do business in this State shall maintain:

(1) A resident agent in this State whose name and address is certified to the Department; and

(2) An address which is certified to the Department.

(B) THE DEPARTMENT MAY ACT AS A RESIDENT AGENT FOR A FOREIGN CORPORATION THAT DOES BUSINESS IN THE STATE:

(1) WITHOUT A RESIDENT AGENT; OR

(2) WITH A RESIDENT AGENT WHO CANNOT BE FOUND OR SERVED WITH THE EXERCISE OF REASONABLE DILIGENCE.

[(b)] (C) A foreign corporation registered or qualified to do business in this State:

(1) At any time may certify to the Department the address of a principal office in this State, which may be a business office of the corporation; and

(2) With respect to an address so certified, shall certify to the Department:

(i) Any subsequent change in the address of the principal office; and

(ii) The fact that it no longer has the principal office in this State.

[(c)] (D) Except as provided in subsection **[(d)] (E)** of this section, each certification by a foreign corporation which relates to its resident agent, address, or principal office shall be executed for the corporation by its president or one of its vice-presidents.

[(d)] (E) A foreign corporation and its resident agent may change the resident agent, his address, or the address of a principal office of the corporation in the same manner as provided for a Maryland corporation under § 2–108 of this article.

1 ~~[(e)] (F)~~ (1) A resident agent of a foreign corporation may resign by filing
2 with the Department a counterpart or photocopy of his signed resignation.

3 (2) Unless a later time is specified in the resignation, it is effective:

4 (i) At the time it is filed with the Department, if the corporation has
5 appointed a successor resident agent; or

6 (ii) Ten days after it is filed with the Department, if the corporation
7 has not appointed a successor resident agent.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.