

SENATE BILL 181

C1

11r0070

(PRE-FILED)

By: **Chair, Judicial Proceedings Committee (By Request – Departmental – Assessments and Taxation)**

Requested: September 23, 2020

Introduced and read first time: January 13, 2021

Assigned to: Judicial Proceedings

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: January 26, 2021

CHAPTER _____

1 AN ACT concerning

2 **Corporations and Associations – Trade Name Certificates – Requirements**

3 FOR the purpose of requiring that a certain certificate filed with the State Department of
4 Assessments and Taxation disclose a certain identification number assigned by the
5 Department for the business associated with the certificate; ~~prohibiting the~~
6 ~~Department from accepting a certain certificate associated with a business that is~~
7 ~~not in good standing with the Department;~~ making a stylistic change; and generally
8 relating to trade name certificates filed with the State Department of Assessments
9 and Taxation.

10 BY repealing and reenacting, with amendments,
11 Article – Corporations and Associations
12 Section ~~1-406~~ 1-406(a)
13 Annotated Code of Maryland
14 (2014 Replacement Volume and 2020 Supplement)

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

17 **Article – Corporations and Associations**

18 1-406.

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.



1 (a) Any person engaged in any mercantile, trading, or manufacturing business as
 2 an agent or doing business or trading under any designation, title, or name other than the
 3 person's own name, prior to commencing operation of the business, shall file with the
 4 Department [of Assessments and Taxation] a certificate:

5 (1) In writing;

6 (2) Affirmed or acknowledged under oath; and

7 (3) Disclosing:

8 (i) The true and correct names and addresses of the principal or
 9 owner of the business;

10 (ii) The character and location of the business; [and]

11 (iii) The name, title, or designation under which the business is
 12 conducted; AND

13 (IV) THE IDENTIFICATION NUMBER ASSIGNED BY THE
 14 DEPARTMENT FOR THE ASSOCIATED BUSINESS.

15 ~~(B) THE DEPARTMENT MAY NOT ACCEPT A CERTIFICATE ASSOCIATED WITH~~
 16 ~~A BUSINESS THAT IS NOT IN GOOD STANDING WITH THE DEPARTMENT.~~

17 ~~[(b)] (C) The name, title, or designation under which a business is conducted~~
 18 ~~shall be recorded with the Department as provided in Subtitle 5 of this title.~~

19 ~~[(c)] (D) The information required in subsection (a) of this section shall be filed~~
 20 ~~in the manner that the Department requires by regulation.~~

21 ~~[(d)] (E) (1) The Department of Assessments and Taxation shall maintain a~~
 22 ~~public record, to be known as the "agency record".~~

23 ~~(2) The agency record shall record all certificates filed in accordance with~~
 24 ~~this section, and the certificates shall be properly indexed.~~

25 ~~[(e)] (F) The Department of Assessments and Taxation shall charge and receive~~
 26 ~~a fee of:~~

27 ~~(1) \$25 for recording the certificates under this section; and~~

28 ~~(2) \$25 for each amendment, cancellation, or renewal of a certificate.~~

29 ~~[(f)] (G) (1) A certificate filed under this section is effective for a period of 5~~
 30 ~~years from the date the certificate is filed.~~

1 ~~(2) Every 5 years following the year in which a certificate is filed or~~
2 ~~renewed, a person who has filed or renewed a certificate under this section may renew the~~
3 ~~certificate by filing, within 6 months before the end of the 5 year period, an application for~~
4 ~~renewal in the manner that the Department requires by regulation.~~

5 ~~(3) A renewal application extends the certificate for 5 years from the end~~
6 ~~of the previous 5 year period.~~

7 ~~[(g)] (H) This section does not apply to any person who has filed a certificate~~
8 ~~similar to the certificate required under this section with the Department of Assessments~~
9 ~~and Taxation before July 1, 1991.~~

10 ~~[(h)] (I) A person that willfully and knowingly executes and files a false~~
11 ~~certificate under subsection (a) of this section is guilty of a misdemeanor and on conviction~~
12 ~~is subject to a fine not exceeding \$1,000 or imprisonment not exceeding 1 year or both.~~

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 2021.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.