

SENATE BILL 181

C1

1lr0070

(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

A BILL ENTITLED

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
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.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) In writing;

2 (2) Affirmed or acknowledged under oath; and

3 (3) Disclosing:

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

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

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

9 (IV) THE IDENTIFICATION NUMBER ASSIGNED BY THE
10 DEPARTMENT FOR THE ASSOCIATED BUSINESS.

11 (B) THE DEPARTMENT MAY NOT ACCEPT A CERTIFICATE ASSOCIATED WITH
12 A BUSINESS THAT IS NOT IN GOOD STANDING WITH THE DEPARTMENT.

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

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

17 [(d)] (E) (1) The Department of Assessments and Taxation shall maintain a
18 public record, to be known as the “agency record”.

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

21 [(e)] (F) The Department of Assessments and Taxation shall charge and receive
22 a fee of:

23 (1) \$25 for recording the certificates under this section; and

24 (2) \$25 for each amendment, cancellation, or renewal of a certificate.

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

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

1 (3) A renewal application extends the certificate for 5 years from the end
2 of the previous 5-year period.

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

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

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