

# MAINE STATE LEGISLATURE

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# ONE HUNDRED AND SEVENTH LEGISLATURE

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**Legislative Document**

**No. 180**

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H. P. 133

House of Representatives, January 14, 1975

Speaker laid before the House and on Motion of Mrs. Clark of Freeport referred to the Committee on Business Legislation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Mulkern of Portland.

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## STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-FIVE

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### **AN ACT** Relating to Reinstatement of Suspended Corporations under the Business Corporation Act.

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Be it enacted by the People of the State of Maine, as follows:

**Sec. 1.** ~~13-A MRSA, § 1112, sub-§ 1, last sentence, as enacted by PL 1971, c. 439, § 1, is repealed as follows:~~

~~The State Tax Assessor shall annually notify the Attorney General of the names of all corporations which have failed to pay their franchise taxes~~

**Sec. 2.** ~~13-A MRSA, § 1112, sub-§§ 3 and 4, as enacted by PL 1971, c. 439, § 1, are amended to read:~~

3. Whenever the Secretary of State ~~or the State Tax Assessor~~ shall notify the Attorney General that a corporation has given any cause for dissolution, the Secretary of State ~~or the State Tax Assessor~~ shall concurrently mail to the corporation at its registered office a copy of such notification.

4. Every notification from the Secretary of State ~~or the State Tax Assessor~~ to the Attorney General pertaining to the failure of a corporation:

A. To file its annual report, or

B. ~~To pay its franchise tax, or~~

C. To appoint or maintain a clerk

shall be taken and received in all courts as prima facie evidence of the facts therein stated.

Sec. 3. 13-A MRSA, § 1124 is enacted to read:

§ 1124. Reinstatement of suspended corporate charter

Any charter heretofore suspended for nonpayment of corporate franchise taxes may be revived by payment to the Secretary of State of all such franchise taxes and expenses of advertising due from the corporation at the time of such suspension plus a penalty of \$25. Such right of revival shall terminate, in all cases of suspension for failure to pay corporate franchise taxes, on January 1, 1978.

Sec. 4. 36 MRSA, § 2407, as amended by PL 1973, c. 730, § 7, is repealed.

### STATEMENT OF FACT

The corporate franchise tax, administered by the Bureau of Taxation, was repealed and replaced by a schedule of increased filing fees payable to the Secretary of State, by chapter 730 of the public laws of 1973, effective December 31, 1974. This legislation did not, however, change the manner of reinstating a corporate charter which had been suspended for nonpayment of corporate franchise tax.

Section 1 of the bill deletes from section 1112 of Title 13-A references to the State Tax Assessor which are no longer needed in view of the repeal of the corporate franchise tax.

Section 2 of the bill would repeal the reinstatement provision in Title 36 (administered by the Bureau of Taxation); and Section 3 of the bill would enact a comparable reinstatement provision in Title 13-A, (administered by the Secretary of State). Thus all matters relating to corporate charters would be handled by the Secretary of State. Section 4 of the bill would also terminate the right to reinstatement of such a suspended charter on January 1, 1978. Since the last corporate franchise tax was levied in 1974, this gives a period of approximately 3½ years in which reinstatement can be sought, after which that right would be foreclosed.