

3-11-93 Sen. Comm. -
4-7-93 Senate Amend/120 Pass
4-12-93 Senate - Ways & Means
Referral

HOUSE FILE 389
BY COMMITTEE ON STATE GOVERNMENT
4-14-93 Senate - Do Pass
(SUCCESSOR TO HSB 159)

MAR 4 1993
Place On Calendar

Passed House, Date ^{P. 543} 3-9-93 Passed Senate, ⁽¹²³⁸⁾ Date 4/20/93
Vote: Ayes 98 Nays 0 Vote: Ayes 49 Nays 0
Approved May 12, 1993

Repassed 100/0
4-28-93 (P. 1767)

A BILL FOR

1 An Act relating to administrative dissolutions, nonprofit
2 corporations, and foreign corporations, establishing fees for
3 certain filings, and other related matters.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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H F 389

1 Section 1. Section 86.36, subsection 5, Code 1993, is
2 amended to read as follows:

3 5. "Nonresident employer", as used in section 85.3 and
4 this section does not mean foreign corporations lawfully
5 qualified to transact business within the state of Iowa under
6 ~~chapter-494-or~~ chapter 490.

7 Sec. 2. Section 423.1, subsection 8, Code 1993, is amended
8 to read as follows:

9 8. "Retailer maintaining a place of business in this
10 state" or any like term, ~~shall-mean-and-include~~ includes any
11 retailer having or maintaining within this state, directly or
12 by a subsidiary, an office, distribution house, sales house,
13 warehouse, or other place of business, or any agent operating
14 within this state under the authority of the retailer or its
15 subsidiary, irrespective of whether such place of business or
16 agent is located here permanently or temporarily, ~~-or-whether~~
17 ~~such-retailer-or-subsiidiary-is-admitted-to-do-business-within~~
18 ~~this-state-pursuant-to-chapter-494.~~

19 Sec. 3. Section 423.22, Code 1993, is amended to read as
20 follows:

21 423.22 REVOKING PERMITS.

22 If a retailer maintaining a place of business in this
23 state, or authorized to collect the tax imposed pursuant to
24 section 423.10, fails to comply with any of the provisions of
25 this chapter or any orders or rules prescribed and adopted
26 under this chapter, or is substantially delinquent in the
27 payment of a tax administered by the department or the
28 interest or penalty on the tax, or if the person is a
29 corporation and if any officer having a substantial legal or
30 equitable interest in the ownership of the corporation owes
31 any delinquent tax of the permit-holding corporation, or
32 interest or penalty on the tax, administered by the
33 department, the director may, upon notice and hearing as
34 provided, by order revoke the permit, if any, issued to the
35 retailer under section 422.53, ~~-or-if-the-retailer-is-a~~

1 corporation-authorized-to-do-business-in-this-state-under
2 chapter-494,-may-certify-to-the-secretary-of-state-a-copy-of
3 an-order-finding-that-the-retailer-has-failed-to-comply-with
4 specified-provisions,-orders-or-rules. The secretary of state
5 shall, upon receipt of the certified copy, revoke the permit
6 authorizing the corporation to do business in this state, and
7 shall issue a new permit only when the corporation has
8 obtained from the director an order finding that the
9 corporation has complied with its obligations under this
10 chapter. No order authorized in this section shall be made
11 until the retailer is given an opportunity to be heard and to
12 show cause why the order should not be made, and the retailer
13 shall be given ten days' notice of the time, place, and
14 purpose of the hearing. The director may issue a new permit
15 pursuant to section 422.53 after revocation. The preceding
16 provision applies to users and persons supplying services
17 enumerated in section 422.43.

18 Sec. 4. Section 468.327, Code 1993, is amended to read as
19 follows:

20 468.327 TRUSTEE CONTROL.

21 A district formed pursuant to this part, under the control
22 of a city council, may be placed under the control and
23 management of a board of trustees as provided in subchapter
24 III of this chapter. Each trustee shall be a citizen of the
25 United States not less than eighteen years of age and a bona
26 fide owner of benefited land in the district for which the
27 trustee is elected. If the owner is a family farm corporation
28 as defined by section 9H.1, subsection 8, a business
29 corporation organized and existing under chapter 490, or 491,
30 ~~or~~-494, or a partnership, a stockholder or officer authorized
31 by the corporation or a general partner may be elected as a
32 trustee of the district.

33 Sec. 5. Section 468.506, subsection 4, Code 1993, is
34 amended to read as follows:

35 4. In a district which is a levee and drainage district

1 which has eighty-five percent of its acreage within the
2 corporate limits of a city and has been under the control of a
3 city under subchapter II, part 3, a bona fide owner of
4 benefited land in the district. If the owner is a family farm
5 corporation as defined by section 9H.1, subsection 8, a
6 business corporation organized and existing under chapter 490,
7 or 491, ~~or-494~~, or a partnership, a stockholder or officer
8 authorized by the corporation or a general partner may be
9 elected as a trustee of the district.

10 Sec. 6. NEW SECTION. 487.104A CHANGE OF REGISTERED
11 OFFICE OR REGISTERED AGENT.

12 1. A limited partnership may change its registered office
13 or registered agent by delivering to the secretary of state
14 for filing a statement of change that sets forth all of the
15 following:

- 16 a. The name of the limited partnership.
- 17 b. The street address of its current registered office.
- 18 c. If the current registered office is to be changed, the
19 street address of the new registered office.
- 20 d. The name of its current registered agent.
- 21 e. If the current registered agent is to be changed, the
22 name of the new registered agent and the new agent's written
23 consent, either on the statement or attached to it, to the
24 appointment.
- 25 f. That after the change or changes are made, the street
26 addresses of its registered office and the business office of
27 its registered agent will be identical.

28 2. If a registered agent changes the street address of the
29 registered agent's business office, the registered agent may
30 change the street address of the registered office of any
31 limited partnership for which the person is the registered
32 agent by notifying the limited partnership in writing of the
33 change and signing, either manually or in facsimile, and
34 delivering to the secretary of state for filing a statement
35 that complies with the requirements of subsection 1 and

1 recites that the limited partnership has been notified of the
2 change.

3 3. If a registered agent changes the registered agent's
4 business address to another place, the registered agent may
5 change the business address and the address of the registered
6 agent by filing a statement as required in subsection 2 for
7 each limited partnership, or a single statement for all
8 limited partnerships named in the notice, except that it need
9 be signed only by the registered agent or agents and need not
10 be responsive to subsection 1, paragraph "e", and must recite
11 that a copy of the statement has been mailed to each limited
12 partnership named in the notice.

13 4. A document delivered to the secretary of state for the
14 purpose of changing a limited partnership's registered agent
15 or registered office may be executed by a general partner.

16 Sec. 7. Section 490.1422, subsection 1, paragraph d, Code
17 1993, is amended by striking the paragraph and inserting in
18 lieu thereof the following:

19 d. State the state tax identification number of the
20 corporation.

21 Sec. 8. Section 490.1422, subsection 2, Code 1993, is
22 amended to read as follows:

23 2. a. The secretary of state shall refer the state tax
24 identification number contained in the application for
25 reinstatement to the department of revenue and finance. The
26 department of revenue and finance shall report to the
27 secretary of state the tax status of the corporation. If the
28 department reports to the secretary of state that a filing
29 delinquency or liability exists against the corporation, the
30 secretary of state shall not cancel the certificate of
31 dissolution until the filing delinquency or liability is
32 satisfied.

33 b. If the secretary of state determines that the
34 application contains the information required by subsection 1,
35 and that a delinquency or liability reported pursuant to

1 paragraph "a" has been satisfied, and that the information is
2 correct, the secretary of state shall cancel the certificate
3 of dissolution and prepare a certificate of reinstatement that
4 recites the secretary of state's determination and the
5 effective date of reinstatement, file the original of the
6 certificate, and serve a copy on the corporation under section
7 490.504. If the corporate name in subsection 1, paragraph
8 "c", is different than the corporate name in subsection 1,
9 paragraph "a", the certificate of reinstatement shall
10 constitute an amendment to the articles of incorporation
11 insofar as it pertains to the corporate name.

12 Sec. 9. Section 490.1701, subsection 6, Code 1993, is
13 amended to read as follows:

14 6. A corporation subject to this chapter is not subject to
15 chapter 491, 492, 493, 494, or 495.

16 Sec. 10. Section 491.11, Code 1993, is amended to read as
17 follows:

18 491.11 INCORPORATION FEE.

19 Corporations organized for a period of years shall pay the
20 secretary of state, before a certificate of incorporation is
21 issued, a fee of twenty-five fifty dollars together-with-a
22 ~~recording-fee-of-fifty-cents-per-page, and, for all authorized~~
23 ~~stock-in-excess-of-ten-thousand-dollars, an additional fee of~~
24 ~~one-dollar-per-thousand. --Corporations-organized-to-exist~~
25 ~~perpetually-shall-pay-to-the-secretary-of-state, before-a~~
26 ~~certificate-of-incorporation-is-issued, a fee of one-hundred~~
27 ~~dollars-together-with-a-recording-fee-of-fifty-cents-per-page,~~
28 ~~and, for all authorized stock-in-excess-of-ten-thousand~~
29 ~~dollars, an additional fee of one-dollar-ten-cents-per~~
30 ~~thousand. --Should-any-corporation-increase-its-capital-stock,~~
31 ~~it-shall-pay-to-the-secretary-of-state-a-recording-fee-of~~
32 ~~fifty-cents-per-page-and-in-addition-a-fee-which-in-case-of~~
33 ~~corporations-existing-for-a-period-of-years-shall-be-one~~
34 ~~dollar-per-thousand-of-such-increase-and-in-case-of~~
35 ~~corporations-empowered-to-exist-perpetually-shall-be-one~~

1 dollar-and-ten-cents-per-thousand-of-such-increase---The-fees,
2 except-the-recording-fees,-required-by-this-section-to-be
3 paid,-shall-not-be-collected-from-a-corporation-organized-for
4 the-purpose-of-carrying-into-effect-a-plan-of-reorganization
5 approved-in-bankruptcy-proceedings-under-the-laws-of-the
6 United-States-or-in-a-general-equity-receivership-in-a-court
7 of-competent-jurisdiction,-for-the-period-until-the
8 termination-of-the-time-for-which-such-fees-were-paid-by-the
9 corporation-so-reorganized.

10 Sec. 11. Section 491.111, subsection 2, paragraph b, Code
11 1993, is amended to read as follows:

12 b. The appointment of a resident agent as provided for in
13 section ~~494.27-subsection-6~~ 490.501.

14 Sec. 12. Section 492.9, Code 1993, is amended to read as
15 follows:

16 492.9 CERTIFICATE OF ISSUANCE OF STOCK.

17 It shall be the duty of every corporation, except
18 corporations qualified under chapter ~~494-or-chapter~~ 534, to
19 file a certificate under oath with the secretary of state,
20 within thirty days after the issuance of any capital stock,
21 stating the date of issue, the amount issued, the sum received
22 therefor, if payment be made in money, or the property or
23 thing taken, if such be the method of payment. If the
24 corporation fails to file said certificate of issuance of
25 stock within the thirty-day period herein provided, it may
26 thereafter file the same upon first paying to the secretary of
27 state a penalty of ten dollars when the said certificate is
28 offered for filing. Provided further that the penalty herein
29 provided for is first paid and provided the said report
30 contains the specific information required by this section as
31 to the issuance of any capital stock not previously reported,
32 then the first annual report filed by such corporation
33 following such failure to comply with the provisions of this
34 section, shall be received by the secretary of state as a
35 compliance with this section.

1 Sec. 13. Section 495.1, Code 1993, is amended to read as
2 follows:

3 495.1 CAPITAL STOCK AND PERMIT.

4 Sections 492.5 to 492.9 ~~and 494.1 to 494.10~~ are hereby made
5 applicable to any foreign corporation which directly or
6 indirectly owns, uses, operates, controls, or is concerned in
7 the operation of any public gasworks, electric light plant,
8 heating plant, waterworks, interurban or street railway
9 located within the state, or the carrying on of any gas,
10 electric light, electric power, heating business, waterworks,
11 interurban or street railway business within the state, or
12 that owns or controls, directly or indirectly, any of the
13 capital stock of any corporation which owns, uses, operates or
14 is concerned in the operation of any public gasworks, electric
15 light plant, electric power plant, heating plant, waterworks,
16 interurban or street railway located within the state, or any
17 foreign corporation that exercises any control in any way or
18 in any manner over any of ~~said~~ such works, plants, interurban
19 or street railways or the business carried on by ~~said~~ such
20 works, plants, interurban or street railways by or through the
21 ownership of the capital stock of any corporation or
22 corporations or in any other manner whatsoever, and the
23 ownership, operation, or control of any such works, plants,
24 interurban or street railways or the business carried on by
25 any of such works or plants or the ownership or control of the
26 capital stock in any corporation owning or operating any of
27 such works, plants, interurban or street railways by any
28 foreign corporation in violation of ~~the provisions of~~ this
29 chapter is ~~hereby declared to be~~ unlawful.

30 Sec. 14. Section 495.5, Code 1993, is amended to read as
31 follows:

32 495.5 VIOLATIONS -- STOCK VOID.

33 Shares of capital stock of any corporation owned or
34 controlled in violation of ~~the provisions~~ of this chapter
35 shall be void and the holder ~~thereof~~ of such shares shall not

1 be entitled to exercise the powers of a shareholder of said
2 the corporation or permitted to participate in or be entitled
3 to any of the benefits accruing to shareholders of said the
4 corporation, ~~and sections 494.12 to 494.14 are hereby made~~
5 ~~applicable to violations of the provisions of this chapter,~~
6 ~~and courts and juries shall construe this.~~ This chapter shall
7 be construed so as to prevent evasion and to accomplish the
8 intents and purposes thereof of this chapter.

9 Sec. 15. Section 504A.87, Code 1993, is amended by
10 striking the section and inserting in lieu thereof the
11 following:

12 504A.87 GROUNDS FOR ADMINISTRATIVE DISSOLUTION.

13 The secretary of state may commence a proceeding under
14 section 504A.87A to administratively dissolve a corporation if
15 any of the following apply:

16 1. The corporation does not pay within sixty days after
17 they are due any franchise taxes or penalties imposed by this
18 chapter or other law.

19 2. The corporation has not delivered an annual report to
20 the secretary of state in a form that meets the requirements
21 of section 504A.83, within sixty days after it is due.

22 3. The corporation is without a registered agent or
23 registered office in this state for sixty days or more.

24 4. The corporation does not notify the secretary of state
25 within sixty days that its registered agent or registered
26 office has been changed, that its registered agent has
27 resigned, or that its registered office has been discontinued.

28 5. The corporation's period of duration stated in its
29 articles of incorporation expires.

30 Sec. 16. NEW SECTION. 504A.87A PROCEDURE FOR AND EFFECT
31 OF ADMINISTRATIVE DISSOLUTION.

32 1. If the secretary of state determines that one or more
33 grounds exist under section 504A.87 for dissolving a
34 corporation the secretary of state shall serve the corporation
35 by ordinary mail with written notice of the secretary of

1 state's determination.

2 2. If the corporation does not correct each ground for
3 dissolution or demonstrate to the reasonable satisfaction of
4 the secretary of state that each ground determined by the
5 secretary of state does not exist within sixty days after the
6 date of the notice, the secretary of state shall
7 administratively dissolve the corporation by signing a
8 certificate of dissolution that recites the ground or grounds
9 for dissolution and its effective date. The secretary of
10 state shall file the original of the certificate and serve a
11 copy on the corporation.

12 3. A corporation administratively dissolved continues its
13 existence but shall not carry on any business except that
14 necessary to wind up and liquidate its business and affairs
15 and notify claimants.

16 4. The administrative dissolution of a corporation does
17 not terminate the authority of its registered agent.

18 Sec. 17. NEW SECTION. 504A.87B REINSTATEMENT FOLLOWING
19 ADMINISTRATIVE DISSOLUTION.

20 1. A corporation administratively dissolved under section
21 504A.87A may apply to the secretary of state for reinstatement
22 within two years after the effective date of dissolution. The
23 application must meet all of the following requirements:

24 a. Recite the name of the corporation at its date of
25 dissolution and the effective date of its administrative
26 dissolution.

27 b. State that the ground or grounds for dissolution either
28 did not exist or have been eliminated.

29 2. If the secretary of state determines that the
30 application contains the information required by subsection 1
31 and that the information is correct, the secretary of state
32 shall cancel the certificate of dissolution and prepare a
33 certificate of reinstatement that recites the secretary of
34 state's determination and the effective date of reinstatement,
35 file the original of the certificate, and serve a copy on the

1 corporation.

2 3. When the reinstatement is effective, it relates back to
3 and takes effect as of the effective date of the
4 administrative dissolution as if the administrative
5 dissolution had never occurred.

6 Sec. 18. NEW SECTION. 504A.87C APPEAL FROM DENIAL OF
7 REINSTATEMENT.

8 1. If the secretary of state denies a corporation's
9 application for reinstatement following administrative
10 dissolution, the secretary of state shall serve the
11 corporation with a written notice that explains the reason or
12 reasons for denial.

13 2. The corporation may appeal the denial of reinstatement
14 to the district court within thirty days after service of the
15 notice of denial is perfected. The corporation appeals by
16 petitioning the court to set aside the dissolution and
17 attaching to the petition copies of the secretary of state's
18 certificate of dissolution, the corporation's application for
19 reinstatement, and the secretary of state's notice of denial.

20 3. The court may summarily order the secretary of state to
21 reinstate the dissolved corporation or may take other action
22 the court considers appropriate.

23 4. The court's final decision may be appealed as in other
24 civil proceedings.

25 Sec. 19. Section 554.9402, subsection 4, Code 1993, is
26 amended to read as follows:

27 4. Except as provided in this subsection, a financing
28 statement may be amended by filing a writing signed by both
29 the debtor and the secured party. However, an amendment is
30 sufficient when it is signed only by the secured party if it
31 is filed to show a change of the name of the secured party,
32 the address of the secured party, or both. An amendment
33 showing only a change of the name of the secured party, the
34 address of the secured party, or both, shall be filed without
35 fee. The secretary of state may adopt rules for the change of

1 a secured party's name or address on multiple financing
2 statements by use of a single amendment, including a
3 reasonable fee for processing of the amendment. An amendment
4 does not extend the period of effectiveness of a financing
5 statement. If any amendment adds collateral, it is effective
6 as to the added collateral only from the filing date of the
7 amendment. In this Article, unless the context otherwise
8 requires, the term "financing statement" means the original
9 financing statement and any amendments.

10 Sec. 20. Section 554.9403, subsection 5, paragraph a, Code
11 1993, is amended to read as follows:

12 a. Ten dollars for an original financing statement if the
13 statement is in the standard form prescribed by the secretary
14 of state, and otherwise twelve dollars. However, if the
15 original financing statement is filed electronically in the
16 office of the secretary of state, the fee shall be eight
17 dollars if the statement is in the standard form prescribed by
18 the secretary of state, and otherwise twelve dollars.

19 Sec. 21. Section 554.9405, Code 1993, is amended by adding
20 the following new subsection:

21 NEW SUBSECTION. 4. The filing fee for an assignment filed
22 electronically in the office of the secretary of state is
23 eight dollars if the statement is in the standard form, and
24 otherwise ten dollars.

25 Sec. 22. Section 554.9406, Code 1993, is amended by adding
26 the following new unnumbered paragraph:

27 NEW UNNUMBERED PARAGRAPH. The filing fee for a release of
28 collateral filed electronically in the office of the secretary
29 of state is eight dollars if the statement is in the standard
30 form, and otherwise ten dollars.

31 Sec. 23. Sections 491.12, 491.30, 491.3i, 499.51, and
32 499.52, Code 1993, are repealed.

33 Sec. 24. Chapter 494, Code 1993, is repealed.

34 EXPLANATION

35 This bill amends several provisions relating to

1 corporations, and limited partnerships.

2 Sections 1 through 5 make conforming changes necessary with
3 the repeal of chapter 494.

4 Section 6 provides a procedure for a limited partnership to
5 change the partnership's registered agent or office. This
6 procedure is similar to the procedure used for business
7 corporations under chapter 490.

8 Sections 7 and 8 eliminate the requirement that a
9 corporation seeking to cancel a certificate of dissolution
10 provide a certificate from the department of revenue and
11 finance stating that all taxes owed by the corporation have
12 been paid, and provides that the secretary of state shall
13 provide the tax identification number of the corporation to
14 the department which shall then report to the secretary of
15 state the tax status of the corporation.

16 Section 9 makes a conforming change necessary with the
17 repeal of chapter 494.

18 Section 10 strikes language which provides for an
19 incorporation fee of \$25 plus an additional amount based on
20 the amount of authorized capital stock of the corporation, and
21 replaces it with a single amount of \$50.

22 Sections 11 through 14 make conforming changes necessary
23 with the repeal of chapter 494.

24 Sections 15 through 18 provide procedures for the
25 administrative dissolution and reinstatement with respect to
26 nonprofit corporations. These provisions are modeled after
27 those applicable to business corporations under chapter 490.

28 Section 19 provides that a secured party may change the
29 secured party's address on a financing statement without the
30 signature of the debtor.

31 Sections 20 through 22 reduce the filing fee for
32 electronically filed documents.

33 Sections 23 and 24 make certain repeals. Chapter 494,
34 which relates to foreign corporations, is repealed. These
35 corporations are now subject to chapter 490.

HOUSE FILE 389

S-3431

1 Amend House File 389, as passed by the House, as
2 follows:

3 1. Page 8, by inserting after line 8, the
4 following:

5 "Sec. ____ . Section 499.40, Code 1993, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 8. The name and street address of
8 the association's initial registered agent.

9 Sec. ____ . Section 499.45, subsection 4, Code 1993,
10 is amended by striking the subsection.

11 Sec. ____ . Section 499.49, unnumbered paragraph 1,
12 Code 1993, is amended to read as follows:

13 Each association shall, before April 1 of each
14 year, file a report with the secretary of state on
15 forms prescribed by the secretary, ~~to be accompanied~~
16 ~~by the annual fee required by section 499.45,~~
17 ~~subsection 4.~~ Such report shall be signed by an

18 officer of the association, or a receiver or trustee
19 liquidating its affairs, and shall state:

20 Sec. ____ . Section 499.54, Code 1993, is amended to
21 read as follows:

22 499.54 FOREIGN ASSOCIATIONS.

23 Any foreign corporation ~~new or hereafter~~ organized
24 under generally similar laws of any other state shall
25 be admitted to do business in Iowa upon compliance
26 with the general laws relating to foreign corporations
27 and payment of the same fees as would be required
28 under section ~~494-4 were said~~ 490.122 if the foreign
29 co-operative corporation is a foreign corporation for
30 profit seeking authority to transact business in Iowa
31 under chapter ~~494~~ 490. Upon the secretary of state
32 being satisfied that ~~such~~ the foreign corporation is
33 so organized and has so complied, the secretary shall
34 issue it a certificate authorizing ~~it~~ the foreign
35 corporation to do business in Iowa.

36 Such a foreign ~~associations~~ corporation thus
37 admitted shall be entitled to all remedies provided in
38 this chapter, and to enforce all contracts theretofore
39 or thereafter made by ~~it~~ the foreign corporation which
40 any association might make under this chapter.

41 If such a foreign corporation amends its articles
42 it shall forthwith file a copy thereof of the
43 amendment with the secretary of state, certified by
44 the secretary or other proper official of the state
45 under whose laws it is formed, and shall pay the fees
46 prescribed for amendments by section ~~494-5~~ 490.122.
47 Foreign corporations shall also file statements and
48 pay fees otherwise prescribed by ~~said~~ section 494-5
49 490.122.

50 Sec. ____ . NEW SECTION. 499.72 REGISTERED OFFICE

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1 AND REGISTERED AGENT.

2 Each association must continuously maintain in this
3 state both of the following:

4 1. A registered office that may be the same as any
5 of its places of business.

6 2. A registered agent, who may be any of the
7 following:

8 a. An individual who resides in this state and
9 whose business office is identical with the registered
10 office.

11 b. A domestic corporation or not-for-profit
12 domestic corporation whose business office is
13 identical with the registered office.

14 c. A foreign corporation or not-for-profit foreign
15 corporation authorized to transact business in this
16 state whose business office is identical with the
17 registered office.

18 Sec. ____ . NEW SECTION. 499.73 CHANGE OF
19 REGISTERED OFFICE OR REGISTERED AGENT.

20 1. An association may change its registered office
21 or registered agent by delivering to the secretary of
22 state for filing a statement of change that sets forth
23 all of the following:

24 a. The name of the association.

25 b. The street address of its current registered
26 office.

27 c. If the current registered office is to be
28 changed, the street address of the new registered
29 office.

30 d. The name of its current registered agent.

31 e. If the current registered agent is to be
32 changed, the name of the new registered agent and the
33 new agent's written consent, either on the statement
34 or attached to it, to the appointment.

35 f. That after the change or changes are made, the
36 street addresses of its registered office and the
37 business office of its registered agent will be
38 identical.

39 2. If a registered agent changes the street
40 address of the registered agent's business office, the
41 registered agent may change the street address of the
42 registered office of any association for which the
43 person is the registered agent by notifying the
44 association in writing of the change and signing,
45 either manually or in facsimile, and delivering to the
46 secretary of state for filing a statement that
47 complies with the requirements of subsection 1 and
48 recites that the association has been notified of the
49 change.

50 3. If a registered agent changes the registered

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1 agent's business address to another place, the
2 registered agent may change the business address and
3 the address of the registered agent by filing a
4 statement as required in subsection 2 for each
5 association, or a single statement for all
6 associations named in the notice, except that it need
7 be signed only by the registered agent or agents and
8 need not be responsive to subsection 1, paragraph "e",
9 and must recite that a copy of the statement has been
10 mailed to each association named in the notice.

11 4. An association may also appoint or change its
12 registered office or registered agent in its annual
13 report.

14 Sec. ____ . NEW SECTION. 499.74 RESIGNATION OF
15 REGISTERED AGENT.

16 1. A registered agent may resign the agent's
17 agency appointment by signing and delivering to the
18 secretary of state for filing the signed original and
19 two exact or conformed copies of a statement of
20 resignation. The statement may include a statement
21 that the registered office is also discontinued.

22 2. After filing the statement the secretary of
23 state shall mail one copy to the registered office, if
24 not discontinued, and the other copy to the
25 association at its principal office.

26 3. The agency appointment is terminated, and the
27 registered office discontinued if so provided, on the
28 thirty-first day after the date on which the statement
29 was filed.

30 Sec. ____ . NEW SECTION. 499.75 SERVICE ON
31 ASSOCIATION.

32 1. An association's registered agent is the
33 association's agent for service of process, notice, or
34 demand required or permitted by law to be served on
35 the association.

36 2. If an association has no registered agent, or
37 the agent cannot with reasonable diligence be served,
38 the association may be served by registered or
39 certified mail, return receipt requested, addressed to
40 the secretary of the association at its principal
41 office. Service is perfected under this subsection at
42 the earliest of any of the following:

43 a. The date the association receives the mail.

44 b. The date shown on the return receipt, if signed
45 on behalf of the association.

46 c. Five days after its deposit in the United
47 States mail, as evidenced by the postmark, if mailed
48 postpaid and correctly addressed.

49 3. This section does not prescribe the only means,
50 or necessarily the required means, of serving an

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Page 4

1 association.

2 Sec. ____ . NEW SECTION. 499.76 GROUNDS FOR

3 ADMINISTRATIVE DISSOLUTION.

4 The secretary of state may commence a proceeding
5 under section 499.77 to administratively dissolve an
6 association if any of the following apply:

7 1. The association does not pay within sixty days
8 after they are due any franchise taxes or penalties
9 imposed by this chapter or other law.

10 2. The association has not delivered an annual
11 report to the secretary of state in a form that meets
12 the requirements of section 499.49, within sixty days
13 after it is due.

14 3. The association is without a registered agent
15 or registered office in this state for sixty days or
16 more.

17 4. The association does not notify the secretary
18 of state within sixty days that its registered agent
19 or registered office has been changed, that its
20 registered agent has resigned, or that its registered
21 office has been discontinued.

22 5. The association's period of duration stated in
23 its articles of incorporation expires.

24 Sec. ____ . NEW SECTION. 499.77 PROCEDURE FOR AND
25 EFFECT OF ADMINISTRATIVE DISSOLUTION.

26 1. If the secretary of state determines that one
27 or more grounds exist under section 499.76 for
28 dissolving an association, the secretary of state
29 shall serve the association by ordinary mail with
30 written notice of the secretary of state's
31 determination pursuant to section 499.75.

32 2. If the association does not correct each ground
33 for dissolution or demonstrate to the reasonable
34 satisfaction of the secretary of state that each
35 ground determined by the secretary of state does not
36 exist within sixty days after service of the notice is
37 perfected pursuant to section 499.75, the secretary of
38 state shall administratively dissolve the association
39 by signing a certificate of dissolution that recites
40 the ground or grounds for dissolution and its
41 effective date. The secretary of state shall file the
42 original of the certificate and serve a copy on the
43 association pursuant to section 499.75.

44 3. An association administratively dissolved
45 continues its existence but shall not carry on any
46 business except that necessary to wind up and
47 liquidate its business and affairs and notify
48 claimants.

49 4. The administrative dissolution of an
50 association does not terminate the authority of its

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Page 5

1 registered agent.

2 Sec. . NEW SECTION. 499.78 REINSTATEMENT

3 FOLLOWING ADMINISTRATIVE DISSOLUTION.

4 1. An association administratively dissolved under
5 section 499.77 may apply to the secretary of state for
6 reinstatement within two years after the effective
7 date of dissolution. The application must meet all of
8 the following requirements:

9 a. Recite the name of the association at its date
10 of dissolution and the effective date of its
11 administrative dissolution.

12 b. State that the ground or grounds for
13 dissolution either did not exist or have been
14 eliminated.

15 2. If the secretary of state determines that the
16 application contains the information required by
17 subsection 1 and that the information is correct, the
18 secretary of state shall cancel the certificate of
19 dissolution and prepare a certificate of reinstatement
20 that recites the secretary of state's determination
21 and the effective date of reinstatement, file the
22 original of the certificate, and serve a copy on the
23 association pursuant to section 499.75.

24 3. When the reinstatement is effective, it relates
25 back to and takes effect as of the effective date of
26 the administrative dissolution as if the
27 administrative dissolution had never occurred.

28 Sec. . NEW SECTION. 499.78A APPEAL FROM
29 DENIAL OF REINSTATEMENT.

30 1. If the secretary of state denies an
31 association's application for reinstatement following
32 administrative dissolution, the secretary of state
33 shall serve the association pursuant to section 499.75
34 with a written notice that explains the reason or
35 reasons for denial.

36 2. The association may appeal the denial of
37 reinstatement to the district court within thirty days
38 after service of the notice of denial is perfected.
39 The association appeals by petitioning the court to
40 set aside the dissolution and attaching to the
41 petition copies of the secretary of state's
42 certificate of dissolution, the association's
43 application for reinstatement, and the secretary of
44 state's notice of denial.

45 3. The court may summarily order the secretary of
46 state to reinstate the dissolved association or may
47 take other action the court considers appropriate.

48 4. The court's final decision may be appealed as
49 in other civil proceedings."

50 2. By renumbering as necessary.

By COMMITTEE ON COMMERCE

PATRICK J. DELUHERY, Chairperson

S-3431 FILED APRIL 7, 1993

*adopted 4-20-93
(p. 1238)*

SENATE AMENDMENT TO HOUSE FILE 389

H-4077

1 Amend House File 389, as passed by the House, as
2 follows:
3 1. Page 8, by inserting after line 8, the
4 following:
5 "Sec. _____. Section 499.40, Code 1993, is amended
6 by adding the following new subsection:
7 NEW SUBSECTION. 8. The name and street address of
8 the association's initial registered agent.
9 Sec. _____. Section 499.45, subsection 4, Code 1993,
10 is amended by striking the subsection.
11 Sec. _____. Section 499.49, unnumbered paragraph 1,
12 Code 1993, is amended to read as follows:
13 Each association shall, before April 1 of each
14 year, file a report with the secretary of state on
15 forms prescribed by the secretary ~~to be accompanied~~
16 ~~by the annual fee required by section 499.45~~
17 ~~subsection 4.~~ Such report shall be signed by an
18 officer of the association, or a receiver or trustee
19 liquidating its affairs, and shall state:
20 Sec. _____. Section 499.54, Code 1993, is amended to
21 read as follows:
22 499.54 FOREIGN ASSOCIATIONS.
23 Any foreign corporation ~~now or hereafter~~ organized
24 under generally similar laws of any other state shall
25 be admitted to do business in Iowa upon compliance
26 with the general laws relating to foreign corporations
27 and payment of the same fees as would be required
28 under section ~~494.4 were said~~ 490.122 if the foreign
29 co-operative corporation is a foreign corporation for
30 profit seeking authority to transact business in Iowa
31 under chapter ~~494~~ 490. Upon the secretary of state
32 being satisfied that ~~such the~~ foreign corporation is
33 so organized and has so complied, the secretary shall
34 issue ~~it~~ a certificate authorizing ~~it the~~ foreign
35 corporation to do business in Iowa.
36 ~~Such a foreign association~~ corporation thus
37 admitted shall be entitled to all remedies provided in
38 this chapter, and to enforce all contracts theretofore
39 or thereafter made by ~~it the~~ foreign corporation which
40 any association might make under this chapter.
41 If such a foreign corporation amends its articles
42 it shall forthwith file a copy thereof of the
43 amendment with the secretary of state, certified by
44 the secretary or other proper official of the state
45 under whose laws it is formed, and shall pay the fees
46 prescribed for amendments by section ~~494.5~~ 490.122.
47 Foreign corporations shall also file statements and
48 pay fees otherwise prescribed by ~~said~~ section ~~494.5~~
49 490.122.
50 Sec. _____. NEW SECTION. 499.72 REGISTERED OFFICE

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Page 2

1 AND REGISTERED AGENT.

2 Each association must continuously maintain in this
3 state both of the following:

4 1. A registered office that may be the same as any
5 of its places of business.

6 2. A registered agent, who may be any of the
7 following:

8 a. An individual who resides in this state and
9 whose business office is identical with the registered
10 office.

11 b. A domestic corporation or not-for-profit
12 domestic corporation whose business office is
13 identical with the registered office.

14 c. A foreign corporation or not-for-profit foreign
15 corporation authorized to transact business in this
16 state whose business office is identical with the
17 registered office.

18 Sec. ____ . NEW SECTION. 499.73 CHANGE OF
19 REGISTERED OFFICE OR REGISTERED AGENT.

20 1. An association may change its registered office
21 or registered agent by delivering to the secretary of
22 state for filing a statement of change that sets forth
23 all of the following:

24 a. The name of the association.

25 b. The street address of its current registered
26 office.

27 c. If the current registered office is to be
28 changed, the street address of the new registered
29 office.

30 d. The name of its current registered agent.

31 e. If the current registered agent is to be
32 changed, the name of the new registered agent and the
33 new agent's written consent, either on the statement
34 or attached to it, to the appointment.

35 f. That after the change or changes are made, the
36 street addresses of its registered office and the
37 business office of its registered agent will be
38 identical.

39 2. If a registered agent changes the street
40 address of the registered agent's business office, the
41 registered agent may change the street address of the
42 registered office of any association for which the
43 person is the registered agent by notifying the
44 association in writing of the change and signing,
45 either manually or in facsimile, and delivering to the
46 secretary of state for filing a statement that
47 complies with the requirements of subsection 1 and
48 recites that the association has been notified of the
49 change.

50 3. If a registered agent changes the registered

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Page 3

1 agent's business address to another place, the
2 registered agent may change the business address and
3 the address of the registered agent by filing a
4 statement as required in subsection 2 for each
5 association, or a single statement for all
6 associations named in the notice, except that it need
7 be signed only by the registered agent or agents and
8 need not be responsive to subsection 1, paragraph "e",
9 and must recite that a copy of the statement has been
10 mailed to each association named in the notice.

11 4. An association may also appoint or change its
12 registered office or registered agent in its annual
13 report.

14 Sec. ____ . NEW SECTION. 499.74 RESIGNATION OF
15 REGISTERED AGENT.

16 1. A registered agent may resign the agent's
17 agency appointment by signing and delivering to the
18 secretary of state for filing the signed original and
19 two exact or conformed copies of a statement of
20 resignation. The statement may include a statement
21 that the registered office is also discontinued.

22 2. After filing the statement the secretary of
23 state shall mail one copy to the registered office, if
24 not discontinued, and the other copy to the
25 association at its principal office.

26 3. The agency appointment is terminated, and the
27 registered office discontinued if so provided, on the
28 thirty-first day after the date on which the statement
29 was filed.

30 Sec. ____ . NEW SECTION. 499.75 SERVICE ON
31 ASSOCIATION.

32 1. An association's registered agent is the
33 association's agent for service of process, notice, or
34 demand required or permitted by law to be served on
35 the association.

36 2. If an association has no registered agent, or
37 the agent cannot with reasonable diligence be served,
38 the association may be served by registered or
39 certified mail, return receipt requested, addressed to
40 the secretary of the association at its principal
41 office. Service is perfected under this subsection at
42 the earliest of any of the following:

43 a. The date the association receives the mail.

44 b. The date shown on the return receipt, if signed
45 on behalf of the association.

46 c. Five days after its deposit in the United
47 States mail, as evidenced by the postmark, if mailed
48 postpaid and correctly addressed.

49 3. This section does not prescribe the only means,
50 or necessarily the required means, of serving an

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Page 4

1 association.

2 Sec. ____ . NEW SECTION. 499.76 GROUNDS FOR

3 ADMINISTRATIVE DISSOLUTION.

4 The secretary of state may commence a proceeding
5 under section 499.77 to administratively dissolve an
6 association if any of the following apply:

7 1. The association does not pay within sixty days
8 after they are due any franchise taxes or penalties
9 imposed by this chapter or other law.

10 2. The association has not delivered an annual
11 report to the secretary of state in a form that meets
12 the requirements of section 499.49, within sixty days
13 after it is due.

14 3. The association is without a registered agent
15 or registered office in this state for sixty days or
16 more.

17 4. The association does not notify the secretary
18 of state within sixty days that its registered agent
19 or registered office has been changed, that its
20 registered agent has resigned, or that its registered
21 office has been discontinued.

22 5. The association's period of duration stated in
23 its articles of incorporation expires.

24 Sec. ____ . NEW SECTION. 499.77 PROCEDURE FOR AND
25 EFFECT OF ADMINISTRATIVE DISSOLUTION.

26 1. If the secretary of state determines that one
27 or more grounds exist under section 499.76 for
28 dissolving an association, the secretary of state
29 shall serve the association by ordinary mail with
30 written notice of the secretary of state's
31 determination pursuant to section 499.75.

32 2. If the association does not correct each ground
33 for dissolution or demonstrate to the reasonable
34 satisfaction of the secretary of state that each
35 ground determined by the secretary of state does not
36 exist within sixty days after service of the notice is
37 perfected pursuant to section 499.75, the secretary of
38 state shall administratively dissolve the association
39 by signing a certificate of dissolution that recites
40 the ground or grounds for dissolution and its
41 effective date. The secretary of state shall file the
42 original of the certificate and serve a copy on the
43 association pursuant to section 499.75.

44 3. An association administratively dissolved
45 continues its existence but shall not carry on any
46 business except that necessary to wind up and
47 liquidate its business and affairs and notify
48 claimants.

49 4. The administrative dissolution of an
50 association does not terminate the authority of its

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Page 5

1 registered agent.

2 Sec. . NEW SECTION. 499.78 REINSTATEMENT

3 FOLLOWING ADMINISTRATIVE DISSOLUTION.

4 1. An association administratively dissolved under
5 section 499.77 may apply to the secretary of state for
6 reinstatement within two years after the effective
7 date of dissolution. The application must meet all of
8 the following requirements:

9 a. Recite the name of the association at its date
10 of dissolution and the effective date of its
11 administrative dissolution.

12 b. State that the ground or grounds for
13 dissolution either did not exist or have been
14 eliminated.

15 2. If the secretary of state determines that the
16 application contains the information required by
17 subsection 1 and that the information is correct, the
18 secretary of state shall cancel the certificate of
19 dissolution and prepare a certificate of reinstatement
20 that recites the secretary of state's determination
21 and the effective date of reinstatement, file the
22 original of the certificate, and serve a copy on the
23 association pursuant to section 499.75.

24 3. When the reinstatement is effective, it relates
25 back to and takes effect as of the effective date of
26 the administrative dissolution as if the
27 administrative dissolution had never occurred.

28 Sec. . NEW SECTION. 499.78A APPEAL FROM
29 DENIAL OF REINSTATEMENT.

30 1. If the secretary of state denies an
31 association's application for reinstatement following
32 administrative dissolution, the secretary of state
33 shall serve the association pursuant to section 499.75
34 with a written notice that explains the reason or
35 reasons for denial.

36 2. The association may appeal the denial of
37 reinstatement to the district court within thirty days
38 after service of the notice of denial is perfected.
39 The association appeals by petitioning the court to
40 set aside the dissolution and attaching to the
41 petition copies of the secretary of state's
42 certificate of dissolution, the association's
43 application for reinstatement, and the secretary of
44 state's notice of denial.

45 3. The court may summarily order the secretary of
46 state to reinstate the dissolved association or may
47 take other action the court considers appropriate.

48 4. The court's final decision may be appealed as
49 in other civil proceedings."

50 2. By renumbering as necessary.

RECEIVED FROM THE SENATE

H-4077 FILED APRIL 20, 1993

House Concurred
4/28/93
(P. 1767)

Churchill, Chair

HSB 159

STATE GOVERNMENT

*Hester
Renken
Rumney
Cataleto*

SENATE/HOUSE FILE 389
BY (PROPOSED SECRETARY OF STATE
BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to administrative dissolutions, nonprofit
2 corporations, and foreign corporations, establishing fees for
3 certain filings, and other related matters.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 86.36, subsection 5, Code 1993, is
2 amended to read as follows:

3 5. "Nonresident employer", as used in section 85.3 and
4 this section does not mean foreign corporations lawfully
5 qualified to transact business within the state of Iowa under
6 chapter-494-or chapter 490.

7 Sec. 2. Section 423.1, subsection 8, Code 1993, is amended
8 to read as follows:

9 8. "Retailer maintaining a place of business in this
10 state" or any like term, ~~shall-mean-and-include~~ includes any
11 retailer having or maintaining within this state, directly or
12 by a subsidiary, an office, distribution house, sales house,
13 warehouse, or other place of business, or any agent operating
14 within this state under the authority of the retailer or its
15 subsidiary, irrespective of whether such place of business or
16 agent is located here permanently or temporarily~~7-or-whether~~
17 ~~such-retailer-or-subsi-dia-ry-is-ad-mit-ted-to-do-bu-si-ness-wi-th-in~~
18 ~~this-state-pursuant-to-chap-ter-494.~~

19 Sec. 3. Section 423.22, Code 1993, is amended to read as
20 follows:

21 423.22 REVOKING PERMITS.

22 If a retailer maintaining a place of business in this
23 state, or authorized to collect the tax imposed pursuant to
24 section 423.10, fails to comply with any of the provisions of
25 this chapter or any orders or rules prescribed and adopted
26 under this chapter, or is substantially delinquent in the
27 payment of a tax administered by the department or the
28 interest or penalty on the tax, or if the person is a
29 corporation and if any officer having a substantial legal or
30 equitable interest in the ownership of the corporation owes
31 any delinquent tax of the permit-holding corporation, or
32 interest or penalty on the tax, administered by the
33 department, the director may, upon notice and hearing as
34 provided, by order revoke the permit, if any, issued to the
35 retailer under section 422.53~~7-or-if-the-retailer-is-a~~

1 corporation-authorized-to-do-business-in-this-state-under
2 chapter-4947-may-certify-to-the-secretary-of-state-a-copy-of
3 an-order-finding-that-the-retailer-has-failed-to-comply-with
4 specified-provisions,-orders-or-rules. The secretary of state
5 shall, upon receipt of the certified copy, revoke the permit
6 authorizing the corporation to do business in this state, and
7 shall issue a new permit only when the corporation has
8 obtained from the director an order finding that the
9 corporation has complied with its obligations under this
10 chapter. No order authorized in this section shall be made
11 until the retailer is given an opportunity to be heard and to
12 show cause why the order should not be made, and the retailer
13 shall be given ten days' notice of the time, place, and
14 purpose of the hearing. The director may issue a new permit
15 pursuant to section 422.53 after revocation. The preceding
16 provision applies to users and persons supplying services
17 enumerated in section 422.43.

18 Sec. 4. Section 468.327, Code 1993, is amended to read as
19 follows:

20 468.327 TRUSTEE CONTROL.

21 A district formed pursuant to this part, under the control
22 of a city council, may be placed under the control and
23 management of a board of trustees as provided in subchapter
24 III of this chapter. Each trustee shall be a citizen of the
25 United States not less than eighteen years of age and a bona
26 fide owner of benefited land in the district for which the
27 trustee is elected. If the owner is a family farm corporation
28 as defined by section 9H.1, subsection 8, a business
29 corporation organized and existing under chapter 490, or 491,
30 ~~or-494~~, or a partnership, a stockholder or officer authorized
31 by the corporation or a general partner may be elected as a
32 trustee of the district.

33 Sec. 5. Section 468.506, subsection 4, Code 1993, is
34 amended to read as follows:

35 4. In a district which is a levee and drainage district

1 which has eighty-five percent of its acreage within the
2 corporate limits of a city and has been under the control of a
3 city under subchapter II, part 3, a bona fide owner of
4 benefited land in the district. If the owner is a family farm
5 corporation as defined by section 9H.1, subsection 8, a
6 business corporation organized and existing under chapter 490,
7 or 491, or-494, or a partnership, a stockholder or officer
8 authorized by the corporation or a general partner may be
9 elected as a trustee of the district.

10 Sec. 6. NEW SECTION. 487.104A CHANGE OF REGISTERED
11 OFFICE OR REGISTERED AGENT.

12 1. A limited partnership may change its registered office
13 or registered agent by delivering to the secretary of state
14 for filing a statement of change that sets forth all of the
15 following:

16 a. The name of the limited partnership.

17 b. The street address of its current registered office.

18 c. If the current registered office is to be changed, the
19 street address of the new registered office.

20 d. The name of its current registered agent.

21 e. If the current registered agent is to be changed, the
22 name of the new registered agent and the new agent's written
23 consent, either on the statement or attached to it, to the
24 appointment.

25 f. That after the change or changes are made, the street
26 addresses of its registered office and the business office of
27 its registered agent will be identical.

28 2. If a registered agent changes the street address of the
29 registered agent's business office, the registered agent may
30 change the street address of the registered office of any
31 limited partnership for which the person is the registered
32 agent by notifying the limited partnership in writing of the
33 change and signing, either manually or in facsimile, and
34 delivering to the secretary of state for filing a statement
35 that complies with the requirements of subsection 1 and

1 recites that the limited partnership has been notified of the
2 change.

3 3. If a registered agent changes the registered agent's
4 business address to another place, the registered agent may
5 change the business address and the address of the registered
6 agent by filing a statement as required in subsection 2 for
7 each limited partnership, or a single statement for all
8 limited partnerships named in the notice, except that it need
9 be signed only by the registered agent or agents and need not
10 be responsive to subsection 1, paragraph "e", and must recite
11 that a copy of the statement has been mailed to each limited
12 partnership named in the notice.

13 4. A document delivered to the secretary of state for the
14 purpose of changing a limited partnership's registered agent
15 or registered office may be executed by a general partner.

16 Sec. 7. Section 490.1422, subsection 1, paragraph d, Code
17 1993, is amended by striking the paragraph and inserting in
18 lieu thereof the following:

19 d. State the state tax identification number of the
20 corporation.

21 Sec. 8. Section 490.1422, subsection 2, Code 1993, is
22 amended to read as follows:

23 2. a. The secretary of state shall refer the state tax
24 identification number contained in the application for
25 reinstatement to the department of revenue and finance. The
26 department of revenue and finance shall report to the
27 secretary of state the tax status of the corporation. If the
28 department reports to the secretary of state that a filing
29 delinquency or liability exists against the corporation, the
30 secretary of state shall not cancel the certificate of
31 dissolution until the filing delinquency or liability is
32 satisfied.

33 b. If the secretary of state determines that the
34 application contains the information required by subsection 1,
35 and that a delinquency or liability reported pursuant to

1 paragraph "a" has been satisfied, and that the information is
2 correct, the secretary of state shall cancel the certificate
3 of dissolution and prepare a certificate of reinstatement that
4 recites the secretary of state's determination and the
5 effective date of reinstatement, file the original of the
6 certificate, and serve a copy on the corporation under section
7 490.504. If the corporate name in subsection 1, paragraph
8 "c", is different than the corporate name in subsection 1,
9 paragraph "a", the certificate of reinstatement shall
10 constitute an amendment to the articles of incorporation
11 insofar as it pertains to the corporate name.

12 Sec. 9. Section 490.1701, subsection 6, Code 1993, is
13 amended to read as follows:

14 6. A corporation subject to this chapter is not subject to
15 chapter 491, 492, 493, 494, or 495.

16 Sec. 10. Section 491.11, Code 1993, is amended to read as
17 follows:

18 491.11 INCORPORATION FEE.

19 Corporations organized for a period of years shall pay the
20 secretary of state, before a certificate of incorporation is
21 issued, a fee of twenty-five fifty dollars together-with-a
22 ~~recording-fee-of-fifty-cents-per-page-and-for-all-authorized~~
23 ~~stock-in-excess-of-ten-thousand-dollars-an-additional-fee-of~~
24 ~~one-dollar-per-thousand--Corporations-organized-to-exist~~
25 ~~perpetually-shall-pay-to-the-secretary-of-state-before-a~~
26 ~~certificate-of-incorporation-is-issued-a-fee-of-one-hundred~~
27 ~~dollars-together-with-a-recording-fee-of-fifty-cents-per-page~~
28 ~~and-for-all-authorized-stock-in-excess-of-ten-thousand~~
29 ~~dollars-an-additional-fee-of-one-dollar-ten-cents-per~~
30 ~~thousand--Should-any-corporation-increase-its-capital-stock~~
31 ~~it-shall-pay-to-the-secretary-of-state-a-recording-fee-of~~
32 ~~fifty-cents-per-page-and-in-addition-a-fee-which-in-case-of~~
33 ~~corporations-existing-for-a-period-of-years-shall-be-one~~
34 ~~dollar-per-thousand-of-such-increase-and-in-case-of~~
35 ~~corporations-empowered-to-exist-perpetually-shall-be-one~~

1 dollar-and-ten-cents-per-thousand-of-such-increase--The-fees,
2 except-the-recording-fees,-required-by-this-section-to-be
3 paid,-shall-not-be-collected-from-a-corporation-organized-for
4 the-purpose-of-carrying-into-effect-a-plan-of-reorganization
5 approved-in-bankruptcy-proceedings-under-the-laws-of-the
6 United-States-or-in-a-general-equity-receivership-in-a-court
7 of-competent-jurisdiction,-for-the-period-until-the
8 termination-of-the-time-for-which-such-fees-were-paid-by-the
9 corporation-so-reorganized.

10 Sec. 11. Section 491.111, subsection 2, paragraph b, Code
11 1993, is amended to read as follows:

12 b. The appointment of a resident agent as provided for in
13 section ~~494.27-subsection-6~~ 490.501.

14 Sec. 12. Section 492.9, Code 1993, is amended to read as
15 follows:

16 492.9 CERTIFICATE OF ISSUANCE OF STOCK.

17 It shall be the duty of every corporation, except
18 corporations qualified under chapter ~~494-or-chapter~~ 534, to
19 file a certificate under oath with the secretary of state,
20 within thirty days after the issuance of any capital stock,
21 stating the date of issue, the amount issued, the sum received
22 therefor, if payment be made in money, or the property or
23 thing taken, if such be the method of payment. If the
24 corporation fails to file said certificate of issuance of
25 stock within the thirty-day period herein provided, it may
26 thereafter file the same upon first paying to the secretary of
27 state a penalty of ten dollars when the said certificate is
28 offered for filing. Provided further that the penalty herein
29 provided for is first paid and provided the said report
30 contains the specific information required by this section as
31 to the issuance of any capital stock not previously reported,
32 then the first annual report filed by such corporation
33 following such failure to comply with the provisions of this
34 section, shall be received by the secretary of state as a
35 compliance with this section.

S.F. _____ H.F. _____

1 Sec. 13. Section 495.1, Code 1993, is amended to read as
2 follows:

3 495.1 CAPITAL STOCK AND PERMIT.

4 Sections 492.5 to 492.9 and ~~494.1 to 494.10~~ are hereby made
5 applicable to any foreign corporation which directly or
6 indirectly owns, uses, operates, controls, or is concerned in
7 the operation of any public gasworks, electric light plant,
8 heating plant, waterworks, interurban or street railway
9 located within the state, or the carrying on of any gas,
10 electric light, electric power, heating business, waterworks,
11 interurban or street railway business within the state, or
12 that owns or controls, directly or indirectly, any of the
13 capital stock of any corporation which owns, uses, operates or
14 is concerned in the operation of any public gasworks, electric
15 light plant, electric power plant, heating plant, waterworks,
16 interurban or street railway located within the state, or any
17 foreign corporation that exercises any control in any way or
18 in any manner over any of said such works, plants, interurban
19 or street railways or the business carried on by said such
20 works, plants, interurban or street railways by or through the
21 ownership of the capital stock of any corporation or
22 corporations or in any other manner whatsoever, and the
23 ownership, operation, or control of any such works, plants,
24 interurban or street railways or the business carried on by
25 any of such works or plants or the ownership or control of the
26 capital stock in any corporation owning or operating any of
27 such works, plants, interurban or street railways by any
28 foreign corporation in violation of ~~the provisions of~~ this
29 chapter is ~~hereby declared to be~~ unlawful.

30 Sec. 14. Section 495.5, Code 1993, is amended to read as
31 follows:

32 495.5 VIOLATIONS -- STOCK VOID.

33 Shares of capital stock of any corporation owned or
34 controlled in violation of ~~the provisions of~~ this chapter
35 shall be void and the holder thereof of such shares shall not

1 be entitled to exercise the powers of a shareholder of said
2 the corporation or permitted to participate in or be entitled
3 to any of the benefits accruing to shareholders of said the
4 corporation, ~~and sections 494.12 to 494.14 are hereby made~~
5 ~~applicable to violations of the provisions of this chapter,~~
6 ~~and courts and juries shall construe this.~~ This chapter shall
7 be construed so as to prevent evasion and to accomplish the
8 intents and purposes thereof of this chapter.

9 Sec. 15. Section 504A.87, Code 1993, is amended by
10 striking the section and inserting in lieu thereof the
11 following:

12 504A.87 GROUNDS FOR ADMINISTRATIVE DISSOLUTION.

13 The secretary of state may commence a proceeding under
14 section 504A.87A to administratively dissolve a corporation if
15 any of the following apply:

16 1. The corporation does not pay within sixty days after
17 they are due any franchise taxes or penalties imposed by this
18 chapter or other law.

19 2. The corporation has not delivered an annual report to
20 the secretary of state in a form that meets the requirements
21 of section 504A.83, within sixty days after it is due.

22 3. The corporation is without a registered agent or
23 registered office in this state for sixty days or more.

24 4. The corporation does not notify the secretary of state
25 within sixty days that its registered agent or registered
26 office has been changed, that its registered agent has
27 resigned, or that its registered office has been discontinued.

28 5. The corporation's period of duration stated in its
29 articles of incorporation expires.

30 Sec. 16. NEW SECTION. 504A.87A PROCEDURE FOR AND EFFECT
31 OF ADMINISTRATIVE DISSOLUTION.

32 1. If the secretary of state determines that one or more
33 grounds exist under section 504A.87 for dissolving a
34 corporation the secretary of state shall serve the corporation
35 by ordinary mail with written notice of the secretary of

1 state's determination.

2 2. If the corporation does not correct each ground for
3 dissolution or demonstrate to the reasonable satisfaction of
4 the secretary of state that each ground determined by the
5 secretary of state does not exist within sixty days after the
6 date of the notice, the secretary of state shall
7 administratively dissolve the corporation by signing a
8 certificate of dissolution that recites the ground or grounds
9 for dissolution and its effective date. The secretary of
10 state shall file the original of the certificate and serve a
11 copy on the corporation.

12 3. A corporation administratively dissolved continues its
13 existence but shall not carry on any business except that
14 necessary to wind up and liquidate its business and affairs
15 and notify claimants.

16 4. The administrative dissolution of a corporation does
17 not terminate the authority of its registered agent.

18 Sec. 17. NEW SECTION. 504A.87B REINSTATEMENT FOLLOWING
19 ADMINISTRATIVE DISSOLUTION.

20 1. A corporation administratively dissolved under section
21 504A.87A may apply to the secretary of state for reinstatement
22 within two years after the effective date of dissolution. The
23 application must meet all of the following requirements:

24 a. Recite the name of the corporation at its date of
25 dissolution and the effective date of its administrative
26 dissolution.

27 b. State that the ground or grounds for dissolution either
28 did not exist or have been eliminated.

29 2. If the secretary of state determines that the
30 application contains the information required by subsection 1
31 and that the information is correct, the secretary of state
32 shall cancel the certificate of dissolution and prepare a
33 certificate of reinstatement that recites the secretary of
34 state's determination and the effective date of reinstatement,
35 file the original of the certificate, and serve a copy on the

1 corporation.

2 3. When the reinstatement is effective, it relates back to
3 and takes effect as of the effective date of the
4 administrative dissolution as if the administrative
5 dissolution had never occurred.

6 Sec. 18. NEW SECTION. 504A.87C APPEAL FROM DENIAL OF
7 REINSTATEMENT.

8 1. If the secretary of state denies a corporation's
9 application for reinstatement following administrative
10 dissolution, the secretary of state shall serve the
11 corporation with a written notice that explains the reason or
12 reasons for denial.

13 2. The corporation may appeal the denial of reinstatement
14 to the district court within thirty days after service of the
15 notice of denial is perfected. The corporation appeals by
16 petitioning the court to set aside the dissolution and
17 attaching to the petition copies of the secretary of state's
18 certificate of dissolution, the corporation's application for
19 reinstatement, and the secretary of state's notice of denial.

20 3. The court may summarily order the secretary of state to
21 reinstate the dissolved corporation or may take other action
22 the court considers appropriate.

23 4. The court's final decision may be appealed as in other
24 civil proceedings.

25 Sec. 19. Section 554.9402, subsection 4, Code 1993, is
26 amended to read as follows:

27 4. Except as provided in this subsection, a financing
28 statement may be amended by filing a writing signed by both
29 the debtor and the secured party. However, an amendment is
30 sufficient when it is signed only by the secured party if it
31 is filed to show a change of the name of the secured party,
32 the address of the secured party, or both. An amendment
33 showing only a change of the name of the secured party, the
34 address of the secured party, or both, shall be filed without
35 fee. The secretary of state may adopt rules for the change of

1 a secured party's name or address on multiple financing
2 statements by use of a single amendment, including a
3 reasonable fee for processing of the amendment. An amendment
4 does not extend the period of effectiveness of a financing
5 statement. If any amendment adds collateral, it is effective
6 as to the added collateral only from the filing date of the
7 amendment. In this Article, unless the context otherwise
8 requires, the term "financing statement" means the original
9 financing statement and any amendments.

10 Sec. 20. Section 554.9403, subsection 5, paragraph a, Code
11 1993, is amended to read as follows:

12 a. Ten dollars for an original financing statement if the
13 statement is in the standard form prescribed by the secretary
14 of state, and otherwise twelve dollars. However, if the
15 original financing statement is filed electronically in the
16 office of the secretary of state, the fee shall be eight
17 dollars if the statement is in the standard form prescribed by
18 the secretary of state, and otherwise twelve dollars.

19 Sec. 21. Section 554.9405, Code 1993, is amended by adding
20 the following new subsection:

21 NEW SUBSECTION. 4. The filing fee for an assignment filed
22 electronically in the office of the secretary of state is
23 eight dollars if the statement is in the standard form, and
24 otherwise ten dollars.

25 Sec. 22. Section 554.9406, Code 1993, is amended by adding
26 the following new unnumbered paragraph:

27 NEW UNNUMBERED PARAGRAPH. The filing fee for a release of
28 collateral filed electronically in the office of the secretary
29 of state is eight dollars if the statement is in the standard
30 form, and otherwise ten dollars.

31 Sec. 23. Sections 491.12, 491.30, 491.31, 499.51, and
32 499.52, Code 1993, are repealed.

33 Sec. 24. Chapter 494, Code 1993, is repealed.

34 EXPLANATION

35 This bill amends several provisions relating to

1 corporations, and limited partnerships.

2 Sections 1 through 5 make conforming changes necessary with
3 the repeal of chapter 494.

4 Section 6 provides a procedure for a limited partnership to
5 change the partnership's registered agent or office. This
6 procedure is similar to the procedure used for business
7 corporations under chapter 490.

8 Sections 7 and 8 eliminate the requirement that a
9 corporation seeking to cancel a certificate of dissolution
10 provide a certificate from the department of revenue and
11 finance stating that all taxes owed by the corporation have
12 been paid, and provides that the secretary of state shall
13 provide the tax identification number of the corporation to
14 the department which shall then report to the secretary of
15 state the tax status of the corporation.

16 Section 9 makes a conforming change necessary with the
17 repeal of chapter 494.

18 Section 10 strikes language which provides for an
19 incorporation fee of \$25 plus an additional amount based on
20 the amount of authorized capital stock of the corporation, and
21 replaces it with a single amount of \$50.

22 Sections 11 through 14 make conforming changes necessary
23 with the repeal of chapter 494.

24 Sections 15 through 18 provide procedures for the
25 administrative dissolution and reinstatement with respect to
26 nonprofit corporations. These provisions are modeled after
27 those applicable to business corporations under chapter 490.

28 Section 19 provides that a secured party may change the
29 secured party's address on a financing statement without the
30 signature of the debtor.

31 Sections 20 through 22 reduce the filing fee for
32 electronically filed documents.

33 Sections 23 and 24 make certain repeals. Chapter 494,
34 which relates to foreign corporations, is repealed. These
35 corporations are now subject to chapter 490.

1 BACKGROUND STATEMENT

2 SUBMITTED BY THE AGENCY

3 The amendment to chapter 487 permits a limited partnership
4 to change the limited partnership's registered agent or office
5 by filing a simple document designed for that purpose, similar
6 to the procedure used by business corporations under chapter
7 490. There is currently no statutory mechanism for changing
8 the registered agent or office, other than an amendment to the
9 certificate of limited partnership.

10 The amendments to section 490.1422 are intended to shorten
11 the amount of time required to reinstate a corporation. Each
12 year, the secretary of state administratively dissolves
13 corporations that fail to file annual reports as required by
14 law. Several hundred of these corporations reinstate as
15 provided in section 490.1422. A corporation is required to
16 obtain a certificate from the department of revenue and
17 finance stating that taxes have been paid, prior to
18 reinstatement. The amendments to section 490.1422 change the
19 process by which a determination is made on the tax status of
20 a corporation. Rather than an external procedure by which the
21 corporation obtains a certificate of tax status to be
22 presented to the secretary of state, the amendment provides an
23 internal procedure by which the secretary of state refers the
24 corporation to the department of revenue and finance for a
25 check on tax status prior to reinstatement. The department of
26 revenue and finance and the secretary of state believe this
27 will reduce the amount of time required to process
28 reinstatements for corporations, the great majority of which
29 do not have a tax liability when applying for reinstatement.

30 The amendments to chapter 491 strike the archaic corporate
31 fee structure based on capital stock and substitute filing
32 fees equivalent to those imposed upon business corporations
33 under chapter 490. Chapter 491 currently applies only to
34 mutual insurance companies and a single telephone cooperative.

35 The amendments to chapter 504A replace the current

1 procedure for handling nonprofit corporations that fail to
2 file annual reports. The substituted procedure is identical
3 to the procedure followed for business corporations. The
4 substituted procedure is less cumbersome for the corporation
5 and for the agency.

6 The amendment to section 554.9402 permits a secured party
7 to change the secured party's address without obtaining the
8 signature of the debtor. Under current law, if a secured
9 party changes its address and desires to amend its financing
10 statements to reflect the address change, the secured party
11 must obtain the consent of the debtor. The amendment also
12 permits the secretary of state to work with secured parties to
13 change the names and addresses of secured parties using data
14 processing techniques, and to recover the cost of the data
15 processing effort.

16 The amendments to sections 554.9403, 554.9405, and 554.9406
17 reduce the filing fee for electronically filed documents, in
18 order to provide an incentive for the use of the electronic
19 filing system authorized in section 554.9402(1).

20 Chapter 494 is repealed. That chapter relates to foreign
21 corporations and has had no application to foreign business
22 corporations since 1959. The sole remaining function of
23 chapter 494 is to provide a mechanism for admitting foreign
24 cooperative associations to transact business in Iowa, a
25 function that can be better served by chapter 490.

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HOUSE FILE 389

AN ACT
RELATING TO ADMINISTRATIVE DISSOLUTIONS, NONPROFIT CORPORATIONS, AND FOREIGN CORPORATIONS, ESTABLISHING FEES FOR CERTAIN FILINGS, AND OTHER RELATED MATTERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 86.36, subsection 5, Code 1993, is amended to read as follows:

5. "Nonresident employer", as used in section 85.3 and this section does not mean foreign corporations lawfully qualified to transact business within the state of Iowa under chapter 494 or chapter 490.

Sec. 2. Section 423.1, subsection 8, Code 1993, is amended to read as follows:

8. "Retailer maintaining a place of business in this state" or any like term, ~~shall mean and include~~ includes any retailer having or maintaining within this state, directly or by a subsidiary, an office, distribution house, sales house, warehouse, or other place of business, or any agent operating within this state under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent is located here permanently or temporarily, ~~or whether such retailer or subsidiary is admitted to do business within this state pursuant to chapter 494.~~

Sec. 3. Section 423.22, Code 1993, is amended to read as follows:

423.22 REVOKING PERMITS.

If a retailer maintaining a place of business in this state, or authorized to collect the tax imposed pursuant to section 423.10, fails to comply with any of the provisions of this chapter or any orders or rules prescribed and adopted under this chapter, or is substantially delinquent in the

payment of a tax administered by the department or the interest or penalty on the tax, or if the person is a corporation and if any officer having a substantial legal or equitable interest in the ownership of the corporation owes any delinquent tax of the permit-holding corporation, or interest or penalty on the tax, administered by the department, the director may, upon notice and hearing as provided, by order revoke the permit, if any, issued to the retailer under section 422.53, ~~or if the retailer is a corporation authorized to do business in this state under chapter 494, may certify to the secretary of state a copy of an order finding that the retailer has failed to comply with specified provisions, orders or rules.~~ The secretary of state shall, upon receipt of the certified copy, revoke the permit authorizing the corporation to do business in this state, and shall issue a new permit only when the corporation has obtained from the director an order finding that the corporation has complied with its obligations under this chapter. No order authorized in this section shall be made until the retailer is given an opportunity to be heard and to show cause why the order should not be made, and the retailer shall be given ten days' notice of the time, place, and purpose of the hearing. The director may issue a new permit pursuant to section 422.53 after revocation. The preceding provision applies to users and persons supplying services enumerated in section 422.43.

Sec. 4. Section 468.327, Code 1993, is amended to read as follows:

468.327 TRUSTEE CONTROL.

A district formed pursuant to this part, under the control of a city council, may be placed under the control and management of a board of trustees as provided in subchapter III of this chapter. Each trustee shall be a citizen of the United States not less than eighteen years of age and a bona fide owner of benefited land in the district for which the

trustee is elected. If the owner is a family farm corporation as defined by section 9H.1, subsection 8, a business corporation organized and existing under chapter 490~~7~~ or 491, or-494~~7~~ or a partnership, a stockholder or officer authorized by the corporation or a general partner may be elected as a trustee of the district.

Sec. 5. Section 468.506, subsection 4, Code 1993, is amended to read as follows:

4. In a district which is a levee and drainage district which has eighty-five percent of its acreage within the corporate limits of a city and has been under the control of a city under subchapter II, part 3, a bona fide owner of benefited land in the district. If the owner is a family farm corporation as defined by section 9H.1, subsection 8, a business corporation organized and existing under chapter 490~~7~~ or 491, or-494~~7~~ or a partnership, a stockholder or officer authorized by the corporation or a general partner may be elected as a trustee of the district.

Sec. 6. NEW SECTION. 487.104A CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT.

1. A limited partnership may change its registered office or registered agent by delivering to the secretary of state for filing a statement of change that sets forth all of the following:

- a. The name of the limited partnership.
- b. The street address of its current registered office.
- c. If the current registered office is to be changed, the street address of the new registered office.
- d. The name of its current registered agent.
- e. If the current registered agent is to be changed, the name of the new registered agent and the new agent's written consent, either on the statement or attached to it, to the appointment.

f. That after the change or changes are made, the street addresses of its registered office and the business office of its registered agent will be identical.

2. If a registered agent changes the street address of the registered agent's business office, the registered agent may change the street address of the registered office of any limited partnership for which the person is the registered agent by notifying the limited partnership in writing of the change and signing, either manually or in facsimile, and delivering to the secretary of state for filing a statement that complies with the requirements of subsection 1 and recites that the limited partnership has been notified of the change.

3. If a registered agent changes the registered agent's business address to another place, the registered agent may change the business address and the address of the registered agent by filing a statement as required in subsection 2 for each limited partnership, or a single statement for all limited partnerships named in the notice, except that it need be signed only by the registered agent or agents and need not be responsive to subsection 1, paragraph "e", and must recite that a copy of the statement has been mailed to each limited partnership named in the notice.

4. A document delivered to the secretary of state for the purpose of changing a limited partnership's registered agent or registered office may be executed by a general partner.

Sec. 7. Section 490.1422, subsection 1, paragraph d, Code 1993, is amended by striking the paragraph and inserting in lieu thereof the following:

d. State the state tax identification number of the corporation.

Sec. 8. Section 490.1422, subsection 2, Code 1993, is amended to read as follows:

2. a. The secretary of state shall refer the state tax identification number contained in the application for reinstatement to the department of revenue and finance. The department of revenue and finance shall report to the secretary of state the tax status of the corporation. If the

department reports to the secretary of state that a filing delinquency or liability exists against the corporation, the secretary of state shall not cancel the certificate of dissolution until the filing delinquency or liability is satisfied.

b. If the secretary of state determines that the application contains the information required by subsection 1, and that a delinquency or liability reported pursuant to paragraph "a" has been satisfied, and that the information is correct, the secretary of state shall cancel the certificate of dissolution and prepare a certificate of reinstatement that recites the secretary of state's determination and the effective date of reinstatement, file the original of the certificate, and serve a copy on the corporation under section 490.504. If the corporate name in subsection 1, paragraph "c", is different than the corporate name in subsection 1, paragraph "a", the certificate of reinstatement shall constitute an amendment to the articles of incorporation insofar as it pertains to the corporate name.

Sec. 9. Section 490.1701, subsection 6, Code 1993, is amended to read as follows:

6. A corporation subject to this chapter is not subject to chapter 491, 492, 493, 494, or 495.

Sec. 10. Section 491.11, Code 1993, is amended to read as follows:

491.11 INCORPORATION FEE.

Corporations organized for a period of years shall pay the secretary of state, before a certificate of incorporation is issued, a fee of twenty-five fifty dollars together with a recording fee of fifty cents per page, and, for all authorized stock in excess of ten thousand dollars, an additional fee of one dollar per thousand. Corporations organized to exist perpetually shall pay to the secretary of state, before a certificate of incorporation is issued, a fee of one hundred dollars together with a recording fee of fifty cents per page

and, for all authorized stock in excess of ten thousand dollars, an additional fee of one dollar ten cents per thousand. Should any corporation increase its capital stock, it shall pay to the secretary of state a recording fee of fifty cents per page and in addition a fee which in case of corporations existing for a period of years shall be one dollar per thousand of such increase and in case of corporations empowered to exist perpetually shall be one dollar and ten cents per thousand of such increase. The fees, except the recording fees, required by this section to be paid, shall not be collected from a corporation organized for the purpose of carrying into effect a plan of reorganization approved in bankruptcy proceedings under the laws of the United States or in a general equity receivership in a court of competent jurisdiction, for the period until the termination of the time for which such fees were paid by the corporation so reorganized.

Sec. 11. Section 491.111, subsection 2, paragraph b, Code 1993, is amended to read as follows:

b. The appointment of a resident agent as provided for in section 494.2, subsection 6 490.501.

Sec. 12. Section 492.9, Code 1993, is amended to read as follows:

492.9 CERTIFICATE OF ISSUANCE OF STOCK.

It shall be the duty of every corporation, except corporations qualified under chapter 494 or chapter 534, to file a certificate under oath with the secretary of state, within thirty days after the issuance of any capital stock, stating the date of issue, the amount issued, the sum received therefor, if payment be made in money, or the property or thing taken, if such be the method of payment. If the corporation fails to file said certificate of issuance of stock within the thirty-day period herein provided, it may thereafter file the same upon first paying to the secretary of state a penalty of ten dollars when the said certificate is

offered for filing. Provided further that the penalty herein provided for is first paid and provided the said report contains the specific information required by this section as to the issuance of any capital stock not previously reported, then the first annual report filed by such corporation following such failure to comply with the provisions of this section, shall be received by the secretary of state as a compliance with this section.

Sec. 13. Section 495.1, Code 1993, is amended to read as follows:

495.1 CAPITAL STOCK AND PERMIT.

Sections 492.5 to 492.9 and ~~494.1 to 494.10~~ are hereby made applicable to any foreign corporation which directly or indirectly owns, uses, operates, controls, or is concerned in the operation of any public gasworks, electric light plant, heating plant, waterworks, interurban or street railway located within the state, or the carrying on of any gas, electric light, electric power, heating business, waterworks, interurban or street railway business within the state, or that owns or controls, directly or indirectly, any of the capital stock of any corporation which owns, uses, operates or is concerned in the operation of any public gasworks, electric light plant, electric power plant, heating plant, waterworks, interurban or street railway located within the state, or any foreign corporation that exercises any control in any way or in any manner over any of ~~said~~ such works, plants, interurban or street railways or the business carried on by ~~said~~ such works, plants, interurban or street railways by or through the ownership of the capital stock of any corporation or corporations or in any other manner whatsoever, and the ownership, operation, or control of any such works, plants, interurban or street railways or the business carried on by any of such works or plants or the ownership or control of the capital stock in any corporation owning or operating any of such works, plants, interurban or street railways by any

foreign corporation in violation of ~~the provisions~~ of this chapter is ~~hereby declared to be~~ unlawful.

Sec. 14. Section 495.5, Code 1993, is amended to read as follows:

495.5 VIOLATIONS -- STOCK VOID.

Shares of capital stock of any corporation owned or controlled in violation ~~of the provisions~~ of this chapter shall be void and the holder thereof of such shares shall not be entitled to exercise the powers of a shareholder of said ~~the~~ corporation or permitted to participate in or be entitled to any of the benefits accruing to shareholders of said ~~the~~ corporation ~~and sections 494.12 to 494.14 are hereby made applicable to violations of the provisions of this chapter; and courts and juries shall construe this.~~ This chapter shall be construed so as to prevent evasion and to accomplish the intents and purposes thereof of this chapter.

Sec. 15. Section 499.40, Code 1993, is amended by adding the following new subsection:

NEW SUBSECTION. 8. The name and street address of the association's initial registered agent.

Sec. 16. Section 499.45, subsection 4, Code 1993, is amended by striking the subsection.

Sec. 17. Section 499.49, unnumbered paragraph 1, Code 1993, is amended to read as follows:

Each association shall, before April 1 of each year, file a report with the secretary of state on forms prescribed by the secretary ~~to be accompanied by the annual fee required by section 499.45, subsection 4.~~ Such report shall be signed by an officer of the association, or a receiver or trustee liquidating its affairs, and shall state:

Sec. 18. Section 499.54, Code 1993, is amended to read as follows:

499.54 FOREIGN ASSOCIATIONS.

Any foreign corporation ~~now or hereafter~~ organized under generally similar laws of any other state shall be admitted to

do business in Iowa upon compliance with the general laws relating to foreign corporations and payment of the same fees as would be required under section ~~494-4~~ 490.122 if the foreign co-operative corporation is a foreign corporation for profit seeking authority to transact business in Iowa under chapter 494 490. Upon the secretary of state being satisfied that such the foreign corporation is so organized and has so complied, the secretary shall issue it a certificate authorizing it the foreign corporation to do business in Iowa.

Such a foreign associations corporation thus admitted shall be entitled to all remedies provided in this chapter, and to enforce all contracts theretofore or thereafter made by it the foreign corporation which any association might make under this chapter.

If such a foreign corporation amends its articles it shall forthwith file a copy thereof of the amendment with the secretary of state, certified by the secretary or other proper official of the state under whose laws it is formed, and shall pay the fees prescribed for amendments by section 494-5 490.122. Foreign corporations shall also file statements and pay fees otherwise prescribed by ~~said section 494-5~~ 490.122.

Sec. 19. NEW SECTION. 499.72 REGISTERED OFFICE AND REGISTERED AGENT.

Each association must continuously maintain in this state both of the following:

1. A registered office that may be the same as any of its places of business.
2. A registered agent, who may be any of the following:
 - a. An individual who resides in this state and whose business office is identical with the registered office.
 - b. A domestic corporation or not-for-profit domestic corporation whose business office is identical with the registered office.

c. A foreign corporation or not-for-profit foreign corporation authorized to transact business in this state whose business office is identical with the registered office.

Sec. 20. NEW SECTION. 499.73 CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT.

1. An association may change its registered office or registered agent by delivering to the secretary of state for filing a statement of change that sets forth all of the following:

- a. The name of the association.
- b. The street address of its current registered office.
- c. If the current registered office is to be changed, the street address of the new registered office.
- d. The name of its current registered agent.
- e. If the current registered agent is to be changed, the name of the new registered agent and the new agent's written consent, either on the statement or attached to it, to the appointment.
- f. That after the change or changes are made, the street addresses of its registered office and the business office of its registered agent will be identical.

2. If a registered agent changes the street address of the registered agent's business office, the registered agent may change the street address of the registered office of any association for which the person is the registered agent by notifying the association in writing of the change and signing, either manually or in facsimile, and delivering to the secretary of state for filing a statement that complies with the requirements of subsection 1 and recites that the association has been notified of the change.

3. If a registered agent changes the registered agent's business address to another place, the registered agent may change the business address and the address of the registered agent by filing a statement as required in subsection 2 for each association, or a single statement for all associations

named in the notice, except that it need be signed only by the registered agent or agents and need not be responsive to subsection 1, paragraph "e", and must recite that a copy of the statement has been mailed to each association named in the notice.

4. An association may also appoint or change its registered office or registered agent in its annual report.

Sec. 21. NEW SECTION. 499.74 RESIGNATION OF REGISTERED AGENT.

1. A registered agent may resign the agent's agency appointment by signing and delivering to the secretary of state for filing the signed original and two exact or conformed copies of a statement of resignation. The statement may include a statement that the registered office is also discontinued.

2. After filing the statement the secretary of state shall mail one copy to the registered office, if not discontinued, and the other copy to the association at its principal office.

3. The agency appointment is terminated, and the registered office discontinued if so provided, on the thirty-first day after the date on which the statement was filed.

Sec. 22. NEW SECTION. 499.75 SERVICE ON ASSOCIATION.

1. An association's registered agent is the association's agent for service of process, notice, or demand required or permitted by law to be served on the association.

2. If an association has no registered agent, or the agent cannot with reasonable diligence be served, the association may be served by registered or certified mail, return receipt requested, addressed to the secretary of the association at its principal office. Service is perfected under this subsection at the earliest of any of the following:

- a. The date the association receives the mail.
- b. The date shown on the return receipt, if signed on behalf of the association.

c. Five days after its deposit in the United States mail, as evidenced by the postmark, if mailed postpaid and correctly addressed.

3. This section does not prescribe the only means, or necessarily the required means, of serving an association.

Sec. 23. NEW SECTION. 499.76 GROUNDS FOR ADMINISTRATIVE DISSOLUTION.

The secretary of state may commence a proceeding under section 499.77 to administratively dissolve an association if any of the following apply:

1. The association does not pay within sixty days after they are due any franchise taxes or penalties imposed by this chapter or other law.

2. The association has not delivered an annual report to the secretary of state in a form that meets the requirements of section 499.49, within sixty days after it is due.

3. The association is without a registered agent or registered office in this state for sixty days or more.

4. The association does not notify the secretary of state within sixty days that its registered agent or registered office has been changed, that its registered agent has resigned, or that its registered office has been discontinued.

5. The association's period of duration stated in its articles of incorporation expires.

Sec. 24. NEW SECTION. 499.77 PROCEDURE FOR AND EFFECT OF ADMINISTRATIVE DISSOLUTION.

1. If the secretary of state determines that one or more grounds exist under section 499.76 for dissolving an association, the secretary of state shall serve the association by ordinary mail with written notice of the secretary of state's determination pursuant to section 499.75.

2. If the association does not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the secretary of state that each ground determined by the secretary of state does not exist within sixty days after

service of the notice is perfected pursuant to section 499.75, the secretary of state shall administratively dissolve the association by signing a certificate of dissolution that recites the ground or grounds for dissolution and its effective date. The secretary of state shall file the original of the certificate and serve a copy on the association pursuant to section 499.75.

3. An association administratively dissolved continues its existence but shall not carry on any business except that necessary to wind up and liquidate its business and affairs and notify claimants.

4. The administrative dissolution of an association does not terminate the authority of its registered agent.

Sec. 25. NEW SECTION. 499.78 REINSTATEMENT FOLLOWING ADMINISTRATIVE DISSOLUTION.

1. An association administratively dissolved under section 499.77 may apply to the secretary of state for reinstatement within two years after the effective date of dissolution. The application must meet all of the following requirements:

a. Recite the name of the association at its date of dissolution and the effective date of its administrative dissolution.

b. State that the ground or grounds for dissolution either did not exist or have been eliminated.

2. If the secretary of state determines that the application contains the information required by subsection 1 and that the information is correct, the secretary of state shall cancel the certificate of dissolution and prepare a certificate of reinstatement that recites the secretary of state's determination and the effective date of reinstatement, file the original of the certificate, and serve a copy on the association pursuant to section 499.75.

3. When the reinstatement is effective, it relates back to and takes effect as of the effective date of the administrative dissolution as if the administrative dissolution had never occurred.

Sec. 26. NEW SECTION. 499.78A APPEAL FROM DENIAL OF REINSTATEMENT.

1. If the secretary of state denies an association's application for reinstatement following administrative dissolution, the secretary of state shall serve the association pursuant to section 499.75 with a written notice that explains the reason or reasons for denial.

2. The association may appeal the denial of reinstatement to the district court within thirty days after service of the notice of denial is perfected. The association appeals by petitioning the court to set aside the dissolution and attaching to the petition copies of the secretary of state's certificate of dissolution, the association's application for reinstatement, and the secretary of state's notice of denial.

3. The court may summarily order the secretary of state to reinstate the dissolved association or may take other action the court considers appropriate.

4. The court's final decision may be appealed as in other civil proceedings.

Sec. 27. Section 504A.87, Code 1993, is amended by striking the section and inserting in lieu thereof the following:

504A.87 GROUND FOR ADMINISTRATIVE DISSOLUTION.

The secretary of state may commence a proceeding under section 504A.87A to administratively dissolve a corporation if any of the following apply:

1. The corporation does not pay within sixty days after they are due any franchise taxes or penalties imposed by this chapter or other law.

2. The corporation has not delivered an annual report to the secretary of state in a form that meets the requirements of section 504A.83, within sixty days after it is due.

3. The corporation is without a registered agent or registered office in this state for sixty days or more.

4. The corporation does not notify the secretary of state within sixty days that its registered agent or registered office has been changed, that its registered agent has resigned, or that its registered office has been discontinued.

5. The corporation's period of duration stated in its articles of incorporation expires.

Sec. 28. NEW SECTION. 504A.87A PROCEDURE FOR AND EFFECT OF ADMINISTRATIVE DISSOLUTION.

1. If the secretary of state determines that one or more grounds exist under section 504A.87 for dissolving a corporation the secretary of state shall serve the corporation by ordinary mail with written notice of the secretary of state's determination.

2. If the corporation does not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the secretary of state that each ground determined by the secretary of state does not exist within sixty days after the date of the notice, the secretary of state shall administratively dissolve the corporation by signing a certificate of dissolution that recites the ground or grounds for dissolution and its effective date. The secretary of state shall file the original of the certificate and serve a copy on the corporation.

3. A corporation administratively dissolved continues its existence but shall not carry on any business except that necessary to wind up and liquidate its business and affairs and notify claimants.

4. The administrative dissolution of a corporation does not terminate the authority of its registered agent.

Sec. 29. NEW SECTION. 504A.87B REINSTATEMENT FOLLOWING ADMINISTRATIVE DISSOLUTION.

1. A corporation administratively dissolved under section 504A.87A may apply to the secretary of state for reinstatement within two years after the effective date of dissolution. The application must meet all of the following requirements:

a. Recite the name of the corporation at its date of dissolution and the effective date of its administrative dissolution.

b. State that the ground or grounds for dissolution either did not exist or have been eliminated.

2. If the secretary of state determines that the application contains the information required by subsection 1 and that the information is correct, the secretary of state shall cancel the certificate of dissolution and prepare a certificate of reinstatement that recites the secretary of state's determination and the effective date of reinstatement, file the original of the certificate, and serve a copy on the corporation.

3. When the reinstatement is effective, it relates back to and takes effect as of the effective date of the administrative dissolution as if the administrative dissolution had never occurred.

Sec. 30. NEW SECTION. 504A.87C APPEAL FROM DENIAL OF REINSTATEMENT.

1. If the secretary of state denies a corporation's application for reinstatement following administrative dissolution, the secretary of state shall serve the corporation with a written notice that explains the reason or reasons for denial.

2. The corporation may appeal the denial of reinstatement to the district court within thirty days after service of the notice of denial is perfected. The corporation appeals by petitioning the court to set aside the dissolution and attaching to the petition copies of the secretary of state's certificate of dissolution, the corporation's application for reinstatement, and the secretary of state's notice of denial.

3. The court may summarily order the secretary of state to reinstate the dissolved corporation or may take other action the court considers appropriate.

4. The court's final decision may be appealed as in other civil proceedings.

Sec. 31. Section 554.9402, subsection 4, Code 1993, is amended to read as follows:

4. Except as provided in this subsection, a financing statement may be amended by filing a writing signed by both the debtor and the secured party. However, an amendment is sufficient when it is signed only by the secured party if it is filed to show a change of the name of the secured party, the address of the secured party, or both. An amendment showing only a change of the name of the secured party, the address of the secured party, or both, shall be filed without fee. The secretary of state may adopt rules for the change of a secured party's name or address on multiple financing statements by use of a single amendment, including a reasonable fee for processing of the amendment. An amendment does not extend the period of effectiveness of a financing statement. If any amendment adds collateral, it is effective as to the added collateral only from the filing date of the amendment. In this Article, unless the context otherwise requires, the term "financing statement" means the original financing statement and any amendments.

Sec. 32. Section 554.9403, subsection 5, paragraph a, Code 1993, is amended to read as follows:

a. Ten dollars for an original financing statement if the statement is in the standard form prescribed by the secretary of state, and otherwise twelve dollars. However, if the original financing statement is filed electronically in the office of the secretary of state, the fee shall be eight dollars if the statement is in the standard form prescribed by the secretary of state, and otherwise twelve dollars.

Sec. 33. Section 554.9405, Code 1993, is amended by adding the following new subsection:

NEW SUBSECTION. 4. The filing fee for an assignment filed electronically in the office of the secretary of state is

eight dollars if the statement is in the standard form, and otherwise ten dollars.

Sec. 34. Section 554.9406, Code 1993, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The filing fee for a release of collateral filed electronically in the office of the secretary of state is eight dollars if the statement is in the standard form, and otherwise ten dollars.

Sec. 35. Sections 491.12, 491.30, 491.31, 499.51, and 499.52, Code 1993, are repealed.

Sec. 36. Chapter 494, Code 1993, is repealed.

HAROLD VAN MAANEN
Speaker of the House

LEONARD L. BOSWELL
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 389, Seventy-fifth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved May 12, 1993

TERRY E. BRANSTAD
Governor