

3/18/96 Commerce
S-3/20/96 Amend (Do Law W) S5452
S-3/25/96 Referred w/Means

FEB 29 1996
Place On Calendar

HOUSE FILE **2413**
BY COMMITTEE ON COMMERCE AND
REGULATION

(SUCCESSOR TO HSB 665)

Passed House, (p. 789) Date 3/18/96
Vote: Ayes 97 Nays 0
Approved _____

Passed Senate, Date _____
Vote: Ayes _____ Nays _____

A BILL FOR

1 An Act relating to foreign and domestic business corporations by
2 amending certain reporting and filing requirements and
3 procedures and establishing fees.

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

5
6
7
8

HOUSE FILE 2413

S-5452

1 Amend House File 2413, as passed by the House, as
2 follows:

- 3 1. Page 1, line 10, by striking the figure "50"
- 4 and inserting the following: "25".
- 5 2. Page 6, by striking line 18.
- 6 3. By renumbering as necessary.

By COMMITTEE ON COMMERCE
PATRICK J. DELUHERY, Chairperson

S-5452 FILED MARCH 20, 1996

18
19
20
21
22
23

HF 2413

1 Section 1. Section 490.121, subsection 1, paragraph a,
2 Code 1995, is amended by striking the paragraph.

3 Sec. 2. Section 490.122, subsection 1, paragraphs e and o,
4 Code 1995, are amended to read as follows:

5 e. Application for registered name
6 per-month
7 ~~or-part-thereof~~ \$2 20

8 o. Certificate of Application for reinstatement
9 following administrative
10 dissolution \$No-fee 50

11 Sec. 3. Section 490.125, subsection 3, Code 1995, is
12 amended to read as follows:

13 3. If the secretary of state refuses to file a document,
14 the secretary of state shall return it to the domestic or
15 foreign corporation or its representative ~~within-ten-days~~
16 ~~after-the-document-was-received-by-the-secretary-of-state,~~
17 together with a brief, written explanation of the reason for
18 the refusal.

19 Sec. 4. Section 490.401, subsection 4, unnumbered
20 paragraph 1, Code 1995, is amended to read as follows:

21 A corporation may use the name, including the fictitious
22 name, of another domestic or foreign corporation that is used
23 in this state if the other corporation is incorporated or
24 authorized to transact business in this state and the proposed
25 user corporation meets submits documentation to the
26 satisfaction of the secretary of state establishing one of the
27 following conditions:

28 Sec. 5. Section 490.502, subsection 1, paragraphs b and d,
29 Code 1995, are amended by striking the paragraphs.

30 Sec. 6. Section 490.503, Code 1995, is amended to read as
31 follows:

32 490.503 RESIGNATION OF REGISTERED AGENT.

33 1. A registered agent may resign the agent's agency
34 appointment by signing and delivering to the secretary of
35 state for filing the signed original ~~and-two-exact-er~~

1 ~~conformed copies of a~~ statement of resignation. The statement
2 may include a statement that the registered office is also
3 discontinued. The registered agent shall send a copy of the
4 statement of resignation by certified mail to the corporation
5 at its principal office and to the registered office, if not
6 discontinued. The registered agent shall certify to the
7 secretary of state that the copies have been sent to the
8 corporation, including the date the copies were sent.

9 ~~2:--After filing the statement the secretary of state shall~~
10 ~~mail one copy to the registered office, if not discontinued,~~
11 ~~and the other copy to the corporation at its principal office.~~

12 3: 2. The agency appointment is terminated, and the
13 registered office discontinued if so provided, on the thirty-
14 first-day-after-the date on which the statement was filed.

15 Sec. 7. Section 490.504, subsection 3, Code 1995, is
16 amended by striking the subsection and inserting in lieu
17 thereof the following:

18 3. A corporation may be served pursuant to this section,
19 as provided in other provisions of this chapter, or as
20 provided in sections 617.3 through 617.6, unless the manner of
21 service is otherwise specifically provided for by statute.

22 Sec. 8. Section 490.902, Code 1995, is amended to read as
23 follows:

24 490.902 FOREIGN INSURANCE COMPANIES BECOMING DOMESTIC.

25 The secretary of state, upon a corporation complying with
26 this section and upon the filing of articles of incorporation
27 and upon receipt of the fees as provided in this chapter,
28 shall issue ~~a certificate of incorporation~~ an acknowledgment
29 of receipt of document as of the date of the corporation's
30 ~~original incorporation in its state of original incorporation~~
31 filing of the articles of incorporation with the secretary of
32 state. The certificate of incorporation acknowledgment of
33 receipt of document shall state on its face that it is issued
34 in accordance with this section. ~~The secretary of state shall~~
35 ~~forward the articles as provided in this chapter to the county~~

~~1 recorder where the principal place of business of the~~
~~2 corporation is to be located.~~ The secretary of state shall
3 then notify the appropriate officer of the state or country of
4 the corporation's last domicile that the corporation is now a
5 domestic corporation domiciled in this state. This section
6 applies to life insurance companies, and to insurance
7 companies doing business under chapter 515.

8 Sec. 9. Section 490.1420, subsection 1, Code 1995, is
9 amended by striking the subsection.

10 Sec. 10. Section 490.1420, subsection 2, Code 1995, is
11 amended to read as follows:

12 2. The corporation has not delivered an annual report to
13 the secretary of state in a form that meets the requirements
14 of section 490.1622, within sixty days after it is due, or has
15 not paid the filing fee as provided in section 490.122, within
16 sixty days after it is due.

17 Sec. 11. Section 490.1421, Code 1995, is amended by adding
18 the following new subsection:

19 NEW SUBSECTION. 5. The secretary of state's
20 administrative dissolution of a corporation pursuant to this
21 section appoints the secretary of state the corporation's
22 agent for service of process in any proceeding based on a
23 cause of action which arose during the time the corporation
24 was authorized to transact business in this state. Service of
25 process on the secretary of state under this subsection is
26 service on the corporation. Upon receipt of process, the
27 secretary of state shall serve a copy of the process on the
28 corporation as provided in section 490.504. This subsection
29 does not preclude service on the corporation's registered
30 agent, if any.

31 Sec. 12. Section 490.1422, subsection 1, Code 1995, is
32 amended to read as follows:

33 1. A corporation administratively dissolved under section
34 490.1421 may apply to the secretary of state for reinstatement
35 within two years after the effective date of dissolution. The

1 application must meet all of the following requirements:

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

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

7 c. State a corporate name that satisfies the requirements
8 of section 490.401.

9 d. State the state federal tax identification number of
10 the corporation.

11 Sec. 13. Section 490.1422, subsection 2, paragraph a, Code
12 1995, is amended to read as follows:

13 a. The secretary of state shall refer the state federal
14 tax identification number contained in the application for
15 reinstatement to the department of revenue and finance. The
16 department of revenue and finance shall report to the
17 secretary of state the tax status of the corporation. If the
18 department reports to the secretary of state that a filing
19 delinquency or liability exists against the corporation, the
20 secretary of state shall not cancel the certificate of
21 dissolution until the filing delinquency or liability is
22 satisfied.

23 Sec. 14. Section 490.1503, subsection 2, Code 1995, is
24 amended to read as follows:

25 2. The foreign corporation shall deliver ~~with the~~
26 completed application to the secretary of state, and also
27 deliver to the secretary of state a certificate of existence
28 or a document of similar import duly authenticated by the
29 secretary of state or other official having custody of
30 corporate records in the state or country under whose law it
31 is incorporated which is dated no earlier than ninety days
32 prior to the date the application is filed with the secretary
33 of state.

34 Sec. 15. Section 490.1506, subsection 4, Code 1995, is
35 amended to read as follows:

1 4. A foreign corporation may use in this state the name,
2 including the fictitious name, of another domestic or foreign
3 corporation that is used in this state if the other
4 corporation is incorporated or authorized to transact business
5 in this state and the foreign corporation has done filed
6 documentation satisfactory to the secretary of state of the
7 occurrence of any of the following:

8 a. Merged The foreign corporation has merged with the
9 other corporation.

10 b. Been The foreign corporation has been formed by
11 reorganization of the other corporation.

12 c. Acquired The foreign corporation has acquired all or
13 substantially all of the assets, including the corporate name,
14 of the other corporation.

15 Sec. 16. Section 490.1508, subsection 1, paragraphs b and
16 d, Code 1995, are amended by the striking the paragraphs.

17 Sec. 17. Section 490.1509, Code 1995, is amended to read
18 as follows:

19 490.1509 RESIGNATION OF REGISTERED AGENT OF FOREIGN
20 CORPORATION.

21 1. The registered agent of a foreign corporation may
22 resign the agency appointment by signing and delivering to the
23 secretary of state for filing the signed original ~~and two~~
24 ~~exact or conformed copies of a~~ statement of resignation. The
25 statement of resignation may include a statement that the
26 registered office is also discontinued. The registered agent
27 shall send a copy of the statement of resignation by certified
28 mail to the corporation at its principal office and to the
29 registered office, if not discontinued. The registered agent
30 shall certify to the secretary of state that the copies have
31 been sent to the corporation, including the date the copies
32 were sent.

33 ~~2. After filing the statement, the secretary of state~~
34 ~~shall attach the filing receipt to one copy and mail the copy~~
35 ~~and receipt to the registered office if not discontinued. The~~

1 ~~secretary-of-state-shall-mail-the-other-copy-of-the-foreign~~
2 ~~corporation-to-its-principal-office-address-shown-in-its-most~~
3 ~~recent-annual-report.~~

4 3- 2. The agency appointment is terminated, and the
5 registered office discontinued if so provided, on the thirty-
6 first-day-after-the date on which the statement was filed.

7 Sec. 18. Section 490.1520, subsection 2, paragraph e, Code
8 1995, is amended by striking the paragraph.

9 Sec. 19. Section 490.1530, subsection 2, Code 1995, is
10 amended by striking the subsection.

11 Sec. 20. Section 490.1622, subsection 1, paragraph d, Code
12 1995, is amended to read as follows:

13 d. The names and business addresses of ~~its-directors-and~~
14 ~~principal-officers~~ the president, secretary, treasurer, and
15 one member of the board of directors.

16 Sec. 21. Section 490.1622, subsection 1, paragraphs e, f,
17 g, and h, Code 1995, are amended by striking the paragraphs.

18 Sec. 22. Section 9H.5A, Code 1995, is repealed.

19

EXPLANATION

20 This bill amends provisions relating to business
21 corporations and the duties of the secretary of state.

22 Section 490.121 is amended by striking the application for
23 a certificate of existence from the list forms which the
24 secretary of state may prescribe and furnish.

25 Section 490.122 is amended to change the fee for an
26 application for a registered name from \$2 per month or part of
27 a month to \$20 per application. The section is also amended
28 to provide a \$50 fee for a certificate of administrative
29 dissolution. Currently, no fee is charged for that
30 certificate.

31 Section 490.125 is amended to strike the requirement that
32 the secretary of state return a document which the secretary
33 refuses to file within 10 days after the document was
34 received.

35 Section 490.401 is amended to require that a corporation

1 which intends to use the name of another domestic or foreign
2 corporation must submit documentation to the satisfaction of
3 the secretary of state establishing one of the existing
4 conditions under the section.

5 Section 490.502 is amended by striking the requirements
6 that a change of registered office or registered agent filed
7 by a corporation include the street address of the
8 corporation's current registered office or the name of its
9 current registered agent.

10 Section 490.503 is amended by striking the requirement that
11 a registered agent who resigns send two copies of the
12 statement of resignation to the secretary of state for the
13 secretary of state to deliver to the registered office and
14 principal office of the corporation, and requires the
15 registered agent to send a copy of the statement by certified
16 mail to the principal office of the corporation. The section
17 is also amended to provide that the agency appointment is
18 terminated on the date the statement is filed with the
19 secretary of state, rather than 31 days after that date, as
20 currently provided.

21 Section 490.504 is amended to provide that a corporation
22 may be served pursuant to section 490.504, as provided in
23 other sections of chapter 490, or as provided in sections
24 617.3 through 617.6, unless the manner of service is otherwise
25 specifically provided by statute.

26 Section 490.902 is amended by striking the reference to
27 certificate of incorporation and inserting an acknowledgement
28 of receipt of document. The section is also amended to strike
29 the requirement that the secretary of state forward the
30 articles of incorporation to the county recorder where the
31 principal place of business of the corporation is to be
32 located.

33 Section 490.1420 is amended to provide that the secretary
34 of state may proceed to administratively dissolve a
35 corporation if the corporation does not pay the filing fee for

1 an annual report, in an amount as provided in section 490.122,
2 within 60 days after the fee is due. The section is also
3 amended by striking from the list of items which may result in
4 the secretary of state commencing a proceeding to
5 administratively revoke the certificate of authority of a
6 corporation, the failure of the corporation to pay any
7 franchise taxes or penalties within 60 days after they are
8 due.

9 Section 490.1421 is amended to provide that the secretary
10 of state's administrative dissolution of a corporation
11 pursuant to this section appoints the secretary of state to be
12 the corporation's agent for service of process in any
13 proceeding based on a cause of action which arose during the
14 time the corporation was authorized to transact business in
15 this state. The subsection does not preclude service on the
16 registered agent of the dissolved corporation.

17 Section 490.1422, which relates to the reinstatement of an
18 administratively dissolved corporation, is amended by striking
19 language which permits the corporation to state in the
20 reinstatement application that the ground or grounds for
21 dissolution did not exist, and strikes the requirement that
22 the corporation include in the application the corporation's
23 state tax identification number and provides that the
24 corporation include the corporation's federal tax
25 identification number.

26 Section 490.1503 is amended by requiring the certificate of
27 existence, which is to be filed by a foreign corporation
28 applying for a certificate of authority to transact business
29 in this state, to be filed within 90 days of the date of the
30 filing of the completed application.

31 Section 490.1506 is amended to require that a foreign
32 corporation which intends to use the name of another domestic
33 or foreign corporation must submit documentation satisfactory
34 to the secretary of state establishing one of the existing
35 conditions under the section.

1 Section 409.1508 is amended by striking the requirements
2 that a change of registered office or registered agent filed
3 by a corporation include the street address of the
4 corporation's current registered office or the name of its
5 current registered agent.

6 Section 490.1509 is amended by striking the requirement
7 that a registered agent who resigns send two copies of the
8 statement of resignation to the secretary of state for the
9 secretary of state to deliver to the registered office and
10 principal office of the corporation, and requires the
11 registered agent to send a copy of the statement by certified
12 mail to the principal office of the corporation. The section
13 is also amended to provide that the agency appointment is
14 terminated on the date the statement is filed with the
15 secretary of state, rather than 31 days after that date, as
16 currently provided.

17 Section 490.1520 is amended by deleting the requirement
18 that a foreign corporation seeking to withdraw from the state
19 include in the application for withdrawal a commitment to
20 notify the secretary of state in the future of any change in
21 the corporation's mailing address.

22 Section 490.1530 is amended by striking from the list of
23 items which may result in the secretary of state commencing a
24 proceeding to administratively revoke the certificate of
25 authority of a foreign corporation, the failure of the foreign
26 corporation to pay any franchise taxes or penalties within 60
27 days after they are due.

28 Section 490.1622 is amended by specifically delineating the
29 officers whose names and addresses must appear in the annual
30 report. The section is also amended by striking items which
31 are currently required to be included in the annual report
32 including the total number of authorized shares, itemized by
33 class and series, if any, within each class; the total number
34 of issued and outstanding shares, itemized by class and
35 series, if any, within each class; a statement of the amount

1 of agricultural land in this state owned by the corporation;
2 and a statement that the corporation is or is not a family
3 farm corporation as defined in section 9H.1.

4 Section 9H.5A, which requires certain corporate or
5 partnership farms to file an annual report with the secretary
6 of state, is repealed.

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

Cormack - chair
Brunckhorst
McCoy

HSB 665

COMMERCE - REGULATION

Succeeded by
SF # 2412

SENATE/HOUSE FILE _____
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 foreign and domestic business corporations by
2 amending certain reporting and filing requirements and
3 procedures and establishing fees.

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

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

1 Section 1. Section 490.121, subsection 1, paragraph a,
2 Code 1995, is amended by striking the paragraph.

3 Sec. 2. Section 490.122, subsection 1, paragraphs e and o,
4 Code 1995, are amended to read as follows:

5 e. Application for registered name
6 per-month

7 ~~or-part-thereof~~ \$2 20

8 o. ~~Certificate-of Application for reinstatement~~
9 following administrative

10 ~~dissolution~~ \$~~No-fee~~ 50

11 Sec. 3. Section 490.125, subsection 3, Code 1995, is
12 amended to read as follows:

13 3. If the secretary of state refuses to file a document,
14 the secretary of state shall return it to the domestic or
15 foreign corporation or its representative ~~within-ten-days~~
16 ~~after-the-document-was-received-by-the-secretary-of-state,~~
17 together with a brief, written explanation of the reason for
18 the refusal.

19 Sec. 4. Section 490.401, subsection 4, unnumbered
20 paragraph 1, Code 1995, is amended to read as follows:

21 A corporation may use the name, including the fictitious
22 name, of another domestic or foreign corporation that is used
23 in this state if the other corporation is incorporated or
24 authorized to transact business in this state and the proposed
25 user corporation ~~meets~~ submits documentation to the
26 satisfaction of the secretary of state establishing one of the
27 following conditions:

28 Sec. 5. Section 490.502, subsection 1, paragraphs b and d,
29 Code 1995, are amended by striking the paragraphs.

30 Sec. 6. Section 490.503, Code 1995, is amended to read as
31 follows:

32 490.503 RESIGNATION OF REGISTERED AGENT.

33 1. A registered agent may resign the agent's agency
34 appointment by signing and delivering to the secretary of
35 state for filing the signed original ~~and-two-exact-or~~

1 ~~conformed-copies-of-a~~ statement of resignation. The statement
2 may include a statement that the registered office is also
3 discontinued. The registered agent shall send a copy of the
4 statement of resignation by certified mail to the corporation
5 at its principal office and to the registered office, if not
6 discontinued. The registered agent shall certify to the
7 secretary of state that the copies have been sent to the
8 corporation, including the date the copies were sent.

9 ~~2.---After-filing-the-statement-the-secretary-of-state-shall~~
10 ~~mail-one-copy-to-the-registered-office,if-not-discontinued,~~
11 ~~and-the-other-copy-to-the-corporation-at-its-principal-office.~~

12 3. 2. The agency appointment is terminated, and the
13 registered office discontinued if so provided, on the thirty-
14 first-day-after-the date on which the statement was filed.

15 Sec. 7. Section 490.504, subsection 3, Code 1995, is
16 amended by striking the subsection and inserting in lieu
17 thereof the following:

18 3. A corporation may be served pursuant to this section,
19 as provided in other provisions of this chapter, or as
20 provided in sections 617.3 through 617.6, unless the manner of
21 service is otherwise specifically provided for by statute.

22 Sec. 8. Section 490.902, Code 1995, is amended to read as
23 follows:

24 490.902 FOREIGN INSURANCE COMPANIES BECOMING DOMESTIC.

25 The secretary of state, upon a corporation complying with
26 this section and upon the filing of articles of incorporation
27 and upon receipt of the fees as provided in this chapter,
28 shall issue ~~a-certificate-of-incorporation~~ an acknowledgment
29 of receipt of document as of the date of the corporation's
30 ~~original-incorporation-in-its-state-of-original-incorporation~~
31 filing of the articles of incorporation with the secretary of
32 state. ~~The certificate-of-incorporation~~ acknowledgment of
33 receipt of document shall state on its face that it is issued
34 in accordance with this section. ~~The-secretary-of-state-shall~~
35 ~~forward-the-articles-as-provided-in-this-chapter-to-the-county~~

~~1 recorder where the principal place of business of the~~
~~2 corporation is to be located.~~ The secretary of state shall
3 then notify the appropriate officer of the state or country of
4 the corporation's last domicile that the corporation is now a
5 domestic corporation domiciled in this state. This section
6 applies to life insurance companies, and to insurance
7 companies doing business under chapter 515.

8 Sec. 9. Section 490.1420, subsection 1, Code 1995, is
9 amended by striking the subsection.

10 Sec. 10. Section 490.1420, subsection 2, Code 1995, is
11 amended to read as follows:

12 2. The corporation has not delivered an annual report to
13 the secretary of state in a form that meets the requirements
14 of section 490.1622, within sixty days after it is due, or has
15 not paid the filing fee as provided in section 490.122, within
16 sixty days after it is due.

17 Sec. 11. Section 490.1421, Code 1995, is amended by adding
18 the following new subsection:

19 NEW SUBSECTION. 5. The secretary of state's
20 administrative dissolution of a corporation pursuant to this
21 section appoints the secretary of state the corporation's
22 agent for service of process in any proceeding based on a
23 cause of action which arose during the time the corporation
24 was authorized to transact business in this state. Service of
25 process on the secretary of state under this subsection is
26 service on the corporation. Upon receipt of process, the
27 secretary of state shall serve a copy of the process on the
28 corporation as provided in section 490.504. This subsection
29 does not preclude service on the corporation's registered
30 agent, if any.

31 Sec. 12. Section 490.1422, subsection 1, Code 1995, is
32 amended to read as follows:

33 1. A corporation administratively dissolved under section
34 490.1421 may apply to the secretary of state for reinstatement
35 within two years after the effective date of dissolution. The

1 application must meet all of the following requirements:

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

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

7 c. State a corporate name that satisfies the requirements
8 of section 490.401.

9 d. State the ~~state~~ federal tax identification number of
10 the corporation.

11 Sec. 13. Section 490.1422, subsection 2, paragraph a, Code
12 1995, is amended to read as follows:

13 a. The secretary of state shall refer the ~~state~~ federal
14 tax identification number contained in the application for
15 reinstatement to the department of revenue and finance. The
16 department of revenue and finance shall report to the
17 secretary of state the tax status of the corporation. If the
18 department reports to the secretary of state that a filing
19 delinquency or liability exists against the corporation, the
20 secretary of state shall not cancel the certificate of
21 dissolution until the filing delinquency or liability is
22 satisfied.

23 Sec. 14. Section 490.1503, subsection 2, Code 1995, is
24 amended to read as follows:

25 2. The foreign corporation shall deliver with the
26 completed application to the secretary of state, and also
27 deliver to the secretary of state a certificate of existence
28 or a document of similar import duly authenticated by the
29 secretary of state or other official having custody of
30 corporate records in the state or country under whose law it
31 is incorporated which is dated no earlier than ninety days
32 prior to the date the application is filed with the secretary
33 of state.

34 Sec. 15. Section 490.1506, subsection 4, Code 1995, is
35 amended to read as follows:

S.F. _____ H.F. _____

1 4. A foreign corporation may use in this state the name,
2 including the fictitious name, of another domestic or foreign
3 corporation that is used in this state if the other
4 corporation is incorporated or authorized to transact business
5 in this state and the foreign corporation has done filed
6 documentation satisfactory to the secretary of state of the
7 occurrence of any of the following:

8 a. Merged The foreign corporation has merged with the
9 other corporation.

10 b. Been The foreign corporation has been formed by
11 reorganization of the other corporation.

12 c. Acquired The foreign corporation has acquired all or
13 substantially all of the assets, including the corporate name,
14 of the other corporation.

15 Sec. 16. Section 490.1508, subsection 1, paragraphs b and
16 d, Code 1995, are amended by the striking the paragraphs.

17 Sec. 17. Section 490.1509, Code 1995, is amended to read
18 as follows:

19 490.1509 RESIGNATION OF REGISTERED AGENT OF FOREIGN
20 CORPORATION.

21 1. The registered agent of a foreign corporation may
22 resign the agency appointment by signing and delivering to the
23 secretary of state for filing the signed original and two
24 exact-or-conformed-copies-of-a statement of resignation. The
25 statement of resignation may include a statement that the
26 registered office is also discontinued. The registered agent
27 shall send a copy of the statement of resignation by certified
28 mail to the corporation at its principal office and to the
29 registered office, if not discontinued. The registered agent
30 shall certify to the secretary of state that the copies have
31 been sent to the corporation, including the date the copies
32 were sent.

33 ~~2.--After-filing-the-statement, the secretary of state~~
34 ~~shall attach the filing receipt to one copy and mail the copy~~
35 ~~and receipt to the registered office if not discontinued.--The~~

1 ~~secretary-of-state-shall-mail-the-other-copy-of-the-foreign~~
2 ~~corporation-to-its-principal-office-address-shown-in-its-most~~
3 ~~recent-annual-report.~~

4 3. 2. The agency appointment is terminated, and the
5 registered office discontinued if so provided, on the ~~thirty-~~
6 ~~first-day-after-the~~ date on which the statement was filed.

7 Sec. 18. Section 490.1520, subsection 2, paragraph e, Code
8 1995, is amended by striking the paragraph.

9 Sec. 19. Section 490.1530, subsection 2, Code 1995, is
10 amended by striking the subsection.

11 Sec. 20. Section 490.1622, subsection 1, paragraph d, Code
12 1995, is amended to read as follows:

13 d. The names and ~~business~~ addresses of ~~its-directors-and~~
14 ~~principal-officers~~ the president, secretary, treasurer, and
15 one member of the board of directors.

16 Sec. 21. Section 490.1622, subsection 1, paragraphs e, f,
17 g, and h, Code 1995, are amended by striking the paragraphs.

18 Sec. 22. Section 9H.5A, Code 1995, is repealed.

19 EXPLANATION

20 This bill amends provisions relating to business
21 corporations and the duties of the secretary of state.

22 Section 490.121 is amended by striking the application for
23 a certificate of existence from the list forms which the
24 secretary of state may prescribe and furnish.

25 Section 490.122 is amended to change the fee for an
26 application for a registered name from \$2 per month or part of
27 a month to \$20 per application. The section is also amended
28 to provide a \$50 fee for a certificate of administrative
29 dissolution. Currently, no fee is charged for that
30 certificate.

31 Section 490.125 is amended to strike the requirement that
32 the secretary of state return a document which the secretary
33 refuses to file within 10 days after the document was
34 received.

35 Section 490.401 is amended to require that a corporation

S.F. _____ H.F. _____

1 which intends to use the name of another domestic or foreign
2 corporation must submit documentation to the satisfaction of
3 the secretary of state establishing one of the existing
4 conditions under the section.

5 Section 490.502 is amended by striking the requirements
6 that a change of registered office or registered agent filed
7 by a corporation include the street address of the
8 corporation's current registered office or the name of its
9 current registered agent.

10 Section 490.503 is amended by striking the requirement that
11 a registered agent who resigns send two copies of the
12 statement of resignation to the secretary of state for the
13 secretary of state to deliver to the registered office and
14 principal office of the corporation, and requires the
15 registered agent to send a copy of the statement by certified
16 mail to the principal office of the corporation. The section
17 is also amended to provide that the agency appointment is
18 terminated on the date the statement is filed with the
19 secretary of state, rather than 31 days after that date, as
20 currently provided.

21 Section 490.504 is amended to provide that a corporation
22 may be served pursuant to section 490.504, as provided in
23 other sections of chapter 490, or as provided in sections
24 617.3 through 617.6, unless the manner of service is otherwise
25 specifically provided by statute.

26 Section 490.902 is amended by striking the reference to
27 certificate of incorporation and inserting an acknowledgement
28 of receipt of document. The section is also amended to strike
29 the requirement that the secretary of state forward the
30 articles of incorporation to the county recorder where the
31 principal place of business of the corporation is to be
32 located.

33 Section 490.1420 is amended to provide that the secretary
34 of state may proceed to administratively dissolve a
35 corporation if the corporation does not pay the filing fee for

1 an annual report, in an amount as provided in section 490.122,
2 within 60 days after the fee is due. The section is also
3 amended by striking from the list of items which may result in
4 the secretary of state commencing a proceeding to
5 administratively revoke the certificate of authority of a
6 corporation, the failure of the corporation to pay any
7 franchise taxes or penalties within 60 days after they are
8 due.

9 Section 490.1421 is amended to provide that the secretary
10 of state's administrative dissolution of a corporation
11 pursuant to this section appoints the secretary of state to be
12 the corporation's agent for service of process in any
13 proceeding based on a cause of action which arose during the
14 time the corporation was authorized to transact business in
15 this state. The subsection does not preclude service on the
16 registered agent of the dissolved corporation.

17 Section 490.1422, which relates to the reinstatement of an
18 administratively dissolved corporation, is amended by striking
19 language which permits the corporation to state in the
20 reinstatement application that the ground or grounds for
21 dissolution did not exist, and strikes the requirement that
22 the corporation include in the application the corporation's
23 state tax identification number and provides that the
24 corporation include the corporation's federal tax
25 identification number.

26 Section 490.1503 is amended by requiring the certificate of
27 existence, which is to be filed by a foreign corporation
28 applying for a certificate of authority to transact business
29 in this state, to be filed within 90 days of the date of the
30 filing of the completed application.

31 Section 490.1506 is amended to require that a foreign
32 corporation which intends to use the name of another domestic
33 or foreign corporation must submit documentation satisfactory
34 to the secretary of state establishing one of the existing
35 conditions under the section.

1 Section 409.1508 is amended by striking the requirements
2 that a change of registered office or registered agent filed
3 by a corporation include the street address of the
4 corporation's current registered office or the name of its
5 current registered agent.

6 Section 490.1509 is amended by striking the requirement
7 that a registered agent who resigns send two copies of the
8 statement of resignation to the secretary of state for the
9 secretary of state to deliver to the registered office and
10 principal office of the corporation, and requires the
11 registered agent to send a copy of the statement by certified
12 mail to the principal office of the corporation. The section
13 is also amended to provide that the agency appointment is
14 terminated on the date the statement is filed with the
15 secretary of state, rather than 31 days after that date, as
16 currently provided.

17 Section 490.1520 is amended by deleting the requirement
18 that a foreign corporation seeking to withdraw from the state
19 include in the application for withdrawal a commitment to
20 notify the secretary of state in the future of any change in
21 the corporation's mailing address.

22 Section 490.1530 is amended by striking from the list of
23 items which may result in the secretary of state commencing a
24 proceeding to administratively revoke the certificate of
25 authority of a foreign corporation, the failure of the foreign
26 corporation to pay any franchise taxes or penalties within 60
27 days after they are due.

28 Section 490.1622 is amended by specifically delineating the
29 officers whose names and addresses must appear in the annual
30 report. The section is also amended by striking items which
31 are currently required to be included in the annual report
32 including the total number of authorized shares, itemized by
33 class and series, if any, within each class; the total number
34 of issued and outstanding shares, itemized by class and
35 series, if any, within each class; a statement of the amount

1 of agricultural land in this state owned by the corporation;
2 and a statement that the corporation is or is not a family
3 farm corporation as defined in section 9H.1.

4 Section 9H.5A, which requires certain corporate or
5 partnership farms to file an annual report with the secretary
6 of state, is repealed.

7 BACKGROUND STATEMENT

8 SUBMITTED BY THE AGENCY

9 Section 490.121 is amended by striking the application for
10 a certificate of existence from the list of forms which the
11 secretary of state may prescribe and furnish since no form is
12 needed.

13 Section 490.122 is amended to change the fee for an
14 application for a registered name from \$2 per month or part of
15 a month to \$20 per application. This will make calculation of
16 the fee easier and reduce the number of applications that must
17 be returned due to an incorrect fee amount. The section is
18 also amended to provide a \$50 fee to accompany an application
19 for reinstatement following administrative dissolution.
20 Currently, no fee is charged, and there is no incentive to
21 file annual reports in a timely manner.

22 Section 490.125 is amended to strike the requirement that
23 the secretary of state return a document which the secretary
24 refuses to file within 10 days after the document was
25 received. Procedures require the secretary to attempt to
26 correct errors or omissions that would require a document to
27 be rejected for filing by contacting the filer. This process
28 usually exceeds the 10 day period. The amendment will allow
29 more flexibility to obtain corrections before rejecting a
30 filing.

31 Section 490.401 is amended to require that a corporation
32 which intends to use the name of another domestic or foreign
33 corporation must submit documentation to the satisfaction of
34 the secretary of state establishing one of the existing
35 conditions under the section. The section presently only

S.F. _____ H.F. _____

1 requires that one of the existing conditions exist but the
2 secretary has no way of determining if the requirement is met
3 unless some documentation is submitted to prove its existence.

4 Section 490.502 is amended by striking the requirements
5 that a change of registered office or registered agent filed
6 by a corporation include the street address of the
7 corporation's current registered office or the name of its
8 current registered agent. This information is already in the
9 possession of the secretary of state and not needed.

10 Section 490.503 is amended by striking the requirement that
11 a registered agent who resigns send two copies of the
12 statement of resignation to the secretary of state for the
13 secretary of state to deliver to the registered office and
14 principal office of the corporation, and substitutes a
15 requirement that the registered agent send a copy of the
16 statement by certified mail to the principal office of the
17 corporation and to the registered office, if not discontinued,
18 and must certify the sending to the secretary. This places
19 the burden and expense of notification on the resigning agent
20 rather than upon the secretary.

21 This section is also amended to provide that the agency
22 appointment is terminated on the date the statement is filed
23 with the secretary of state, rather than 31 days after that
24 date, as currently provided. The original time was to allow
25 the secretary of state to process the resignation and do the
26 mailing. This time will no longer be needed.

27 Section 490.504 is amended to provide that a corporation
28 may be served pursuant to section 490.504, as provided in
29 other sections of chapter 490, or as provided in sections
30 617.3 through 617.6, unless the manner of service is otherwise
31 specifically provided by statute. Rather than the general
32 statement presently in the section, this amendment
33 specifically informs the reader where to look for other ways
34 to serve a corporation.

35 Section 490.902 is amended by striking the reference to

1 certificate of incorporation and inserting an acknowledgment
2 of receipt of document. This brings this section in
3 conformity with the duties of the secretary of state set forth
4 in section 490.125.

5 The section is also amended to strike the requirement that
6 the secretary of state forward the articles of incorporation
7 to the county recorder where the principal place of business
8 of the corporation is to be located. This is consistent with
9 the past elimination of dual filing of corporate documents
10 from other sections of chapter 490.

11 Section 490.1420 is amended by striking from the list of
12 items that may result in a corporation being administratively
13 dissolved, the failure of the corporation to pay within 60
14 days any franchise taxes or penalties imposed by this chapter
15 or other law. There are no franchise taxes or penalties
16 imposed by chapter 490, and there have been no dissolutions
17 for failure to pay franchise taxes and penalties under other
18 laws. The section is also amended to provide that the
19 secretary of state may proceed to administratively dissolve a
20 corporation if the corporation does not pay the filing fee for
21 an annual report in an amount as provided in section 490.122,
22 within 60 days after the fee is due. While this authority is
23 implied since an annual report is not considered filed until
24 the fee is paid, this amendment eliminates any confusion by
25 specifically providing this authority to the secretary.

26 Section 490.1421 is amended to provide that the secretary
27 of state's administrative dissolution of a corporation
28 pursuant to this section appoints the secretary of state to be
29 the corporation's agent for service of process in any
30 proceeding based on a cause of action which arose during the
31 time the corporation was authorized to transact business in
32 this state. This section does not preclude service on the
33 registered agent of the dissolved corporation. This amendment
34 eliminates any confusion as to the appointment of the
35 secretary for service of process upon administrative

1 dissolution of a corporation.

2 Section 490.1422, which relates to the reinstatement of an
3 administratively dissolved corporation, is amended by striking
4 language which requires the corporation to state that the
5 ground or grounds for dissolution did not exist. This is
6 already covered by the statement that any grounds for
7 dissolution have been eliminated. The section is also amended
8 to strike the requirement that the applicant provide the
9 corporation's state tax identification number, and replaces it
10 with the requirement that the applicant provide the
11 corporation's federal tax identification number which is
12 needed to comply with section 490.1422, subsection 2,
13 paragraph "a".

14 Section 490.1503 is amended by requiring that the
15 certificate of existence, which is to be filed by a foreign
16 corporation applying for a certificate of authority to
17 transact business in this state, be dated no more than 90 days
18 prior to the date the application for authority to transact
19 business in this state is filed with the secretary of state.

20 Section 490.1506 is amended to require that a foreign
21 corporation which intends to use the name of another domestic
22 or foreign corporation must submit documentation satisfactory
23 to the secretary of state establishing one of the existing
24 conditions under the section. This is to bring foreign
25 corporations into conformity with the requirements placed upon
26 domestic corporations by section 490.401, subsection 4, as
27 amended in this bill.

28 Section 409.1508 is amended by striking the requirements
29 that a change of registered office or registered agent filed
30 by a corporation include the street address of the
31 corporation's current registered office or the name of its
32 current registered agent. This is to bring foreign
33 corporations into conformity with the requirements placed upon
34 domestic corporations by section 490.502, subsection 1, as
35 amended in this bill.

1 Section 490.1509 is amended by striking the requirement
2 that a registered agent who resigns send two copies of the
3 statement of resignation to the secretary of state for the
4 secretary of state to deliver to the registered office and the
5 principal office of the corporation, and requires the
6 registered agent to send a copy of the statement by certified
7 mail to the principal office of the corporation and to the
8 registered office, if not discontinued, and to certify the
9 sending to the secretary. This places the burden and expense
10 of notification on the resigning agent rather than upon the
11 secretary. This section is also amended to provide that the
12 agency appointment is terminated on the date the statement is
13 filed with the secretary of state, rather than 31 days after
14 that date, as currently provided. This is to bring foreign
15 corporations into conformity with the requirements placed upon
16 domestic corporations by section 490.503, as amended in this
17 bill.

18 Section 490.1520 is amended by deleting the requirement
19 that a foreign corporation seeking to withdraw from the state
20 include in the application for withdrawal a commitment to
21 notify the secretary of state in the future of any change in
22 the corporation's mailing address. The present provision is
23 unenforceable, contains no penalty for failure to notify, and
24 is not being complied with by the foreign corporations.

25 Section 490.1530 is amended by striking from the list of
26 items that may result in a foreign corporation being
27 administratively dissolved, the failure of the foreign
28 corporation to pay within 60 days any franchise taxes or
29 penalties imposed by this chapter or other law. There are no
30 franchise taxes or penalties imposed by chapter 490, and there
31 have been no dissolutions for failure to pay franchise taxes
32 and penalties under other laws.

33 Section 490.1622 is amended by specifically delineating the
34 officers whose names and addresses must appear in the annual
35 report. The new provision would require that only those

1 officers most frequently inquired about be included. This
2 section is also amended by striking items which are currently
3 required to be included in the annual report. The items
4 relating to total number of authorized shares, itemized by
5 class and series, if any, within each class, and the total
6 number of issued and outstanding shares, itemized by class and
7 series, if any, within each class, are no longer needed since
8 annual fees are not calculated based upon the shares of the
9 corporation. This information is available from the
10 corporation should anyone need the information. The items
11 relating to statements of agricultural land owned by the
12 corporation, and whether the corporation is a family farm
13 corporation as defined in section 9H.1, are also deleted.
14 Section 9H.5A, which requires certain corporate or
15 partnership farms to file an annual report with the secretary
16 of state, is repealed. This information is confidential,
17 accessible only by the attorney general and legislative
18 committees, and not available to the public. Requests for the
19 information contained on the reports has not justified the
20 time involved in processing the reports.

21
22
23
24
25
26
27
28
29
30
31
32
33
34
35