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SENATE BILL NO. 131

Offered January 14, 2004

Prefiled January 8, 2004

A *BILL to amend and reenact §§ 13.1-750 and 13.1-912 of the Code of Virginia, relating to corporations; articles of termination of corporate existence.*

Patron—Miller

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That §§ 13.1-750 and 13.1-912 of the Code of Virginia are amended and reenacted as follows:

§ 13.1-750. Articles of termination of corporate existence.

A. When a corporation has distributed all of its assets to its creditors and shareholders and voluntary dissolution proceedings have not been revoked, it shall file articles of termination of corporate existence with the Commission. The articles shall set forth:

1. The name of the corporation;

2. That all the assets of the corporation have been distributed to its creditors and shareholders; and

3. That the dissolution of the corporation has not been revoked.

B. With the articles of termination of corporate existence, the corporation shall file a statement certifying that the corporation has filed returns and has paid all state taxes to the time of the certificate. In contemplation of submitting the required statement, the corporation may file returns and pay taxes before such returns and taxes would otherwise be due.

C. If the Commission finds that the articles of termination of corporate existence comply with the requirements of law and that all required fees have been paid, it shall by order issue a certificate of termination of corporate existence. Upon the issuance of such certificate, the existence of the corporation shall cease, except for the purpose of suits, other proceedings and appropriate corporate action by shareholders, directors and officers as provided in this chapter.

D. The statement "that all the assets of the corporation have been distributed to its creditors and shareholders" means that the corporation has divested itself of all its assets by the payment of claims or liquidating dividends or by assignment to a trustee or trustees for the benefit of claimants or shareholders. If any ~~person described in § 55-210.6~~ shareholder, certificate holder, member, bondholder, or other security holder, or a participating patron of a cooperative who is entitled to a share in the distribution of the assets cannot be found, the corporation may thereupon, and without awaiting the one year mentioned in § 55-210.7, pay his share to the State Treasurer as abandoned property on complying with all applicable requirements of § 55-210.12 except subdivision 4 of subsection B of that section.

§ 13.1-912. Articles of termination of corporate existence.

A. When a corporation has distributed all of its assets and voluntary dissolution proceedings have not been revoked, it shall file articles of termination of corporate existence with the Commission. The articles shall set forth:

1. The name of the corporation;

2. That all the assets of the corporation have been distributed; and

3. That the dissolution of the corporation has not been revoked.

~~B. [Repealed.]~~

~~CB.~~ If the Commission finds that the articles of termination of corporate existence comply with the requirements of law and that all required fees have been paid, it shall by order issue a certificate of termination of corporate existence. Upon the issuance of such certificate, the existence of the corporation shall cease, except for the purpose of suits, other proceedings and appropriate corporate action by members, directors and officers as provided in this chapter.

~~DC.~~ The statement "that all the assets of the corporation have been distributed" means that the corporation has divested itself of all its assets by the payment of claims or by assignment to a trustee or trustees as directed by § 13.1-907. If any ~~person described in § 55-210.6~~ certificate holder, member, bondholder, or other security holder, or a participating patron of a cooperative who is entitled to a share in the distribution of the assets cannot be found, the corporation may thereupon, and without awaiting the ~~two years~~ one year mentioned in § 55-210.7, pay his share to the State Treasurer as abandoned property on complying with all applicable requirements of § 55-210.12 except subdivision 4 of subsection B of that section.

INTRODUCED

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