

VIRGINIA ACTS OF ASSEMBLY -- 1996 SESSION

CHAPTER 255

An Act to amend and reenact §§ 50-73.49 and 50-73.69 of the Code of Virginia, relating to limited partnerships; cancellation of partnership certificate for failure to pay annual registration fees.

[H 559]

Approved March 19, 1996

Be it enacted by the General Assembly of Virginia:

1. That §§ 50-73.49 and 50-73.69 of the Code of Virginia are amended and reenacted as follows:

§ 50-73.49. Nonjudicial dissolution.

A limited partnership is dissolved and its affairs shall be wound up upon the happening of the first to occur of the following:

1. At the time specified in the certificate of limited partnership;

1a. ~~Upon the~~ Occurrence of events specified in writing in the partnership agreement;

2. Written consent of all partners;

3. An event of withdrawal of a general partner unless at the time there is at least one other general partner and the written provisions of the partnership agreement permit the business of the limited partnership to be carried on by the remaining general partner and that partner does so, but the limited partnership is not dissolved and is not required to be wound up by reason of any event of withdrawal, if, within ninety days after the withdrawal, all partners agree in writing to continue the business of the limited partnership and to the appointment of one or more additional general partners if necessary or desired; ~~or~~

4. Entry of a decree of judicial dissolution under § 50-73.50; *or*

5. *Automatic cancellation of the certificate of limited partnership pursuant to § 50-73.69.*

§ 50-73.69. Penalty for failure to timely pay annual registration fee.

A. Any domestic or any foreign limited partnership failing to pay the annual registration fee into the state treasury within the time prescribed in § 50-73.67 shall incur a penalty thereon of twenty-five dollars which shall be added to the amount of the annual registration fee due. The penalty prescribed herein shall be in addition to any other penalties and liabilities imposed by law.

B. *If any domestic or foreign limited partnership fails to pay on or before October 1 of the year assessed the annual registration fee, the Commission shall mail notice to the limited partnership of impending cancellation of its certificate of limited partnership or certificate of registration, as the case may be. The certificate shall be automatically canceled if any annual registration fee is unpaid as of December 31 of that year. A domestic limited partnership whose certificate has been canceled pursuant to this section is dissolved upon cancellation and shall be wound up pursuant to Article 8 (§ 50-73.49 et seq.) of this chapter.*

C. *A limited partner of a domestic or foreign limited partnership is not liable as a general partner of that domestic or foreign limited partnership solely by reason of the failure or refusal of that limited partnership to pay the annual registration fee or by reason of the cancellation of the limited partnership's certificate of limited partnership or certificate of registration, as applicable, pursuant to subsection B of this section.*

D. *A domestic or foreign limited partnership whose certificate of limited partnership or certificate of registration has been canceled pursuant to subsection B of this section may be relieved of the cancellation, and its certificate of limited partnership or certificate of registration shall be reinstated by paying, not later than two years following the date of cancellation, the annual registration fee required by § 50-73.67, together with the late fee imposed by subsection A of this section; a reinstatement fee of \$100; and all registration fees and penalties that were due before the certificate was canceled and would have become due had the certificate not been canceled. If the name of the limited partnership is not available at the time of reinstatement, the limited partnership shall file an amendment to its certificate of limited partnership or certificate of registration or adopt an assumed name for use in this Commonwealth as a precondition to reinstatement.*

E. *If the domestic or foreign limited partnership complies with the provisions of, and pays the fees required by, subsection D of this section, the Commission shall reinstate the certificate of limited partnership or certificate of registration of the limited partnership. A domestic or foreign limited partnership whose certificate of limited partnership or certificate of registration is reinstated within two years after the date on which it was canceled pursuant to subsection B of this section shall be deemed not to have had its certificate of limited partnership or certificate of registration canceled. In that event, the reinstated domestic or foreign limited partnership resumes carrying on its business as if neither cancellation nor dissolution had ever occurred, and any liability incurred by that domestic or foreign limited partnership or a partner after the cancellation and before the reinstatement is determined as if*

cancellation had never occurred.