

2020 SESSION

INTRODUCED

20103536D

HOUSE BILL NO. 1155

Offered January 8, 2020

Prefiled January 7, 2020

A *BILL to amend the Code of Virginia by adding a section numbered 12.1-21.3, relating to fees for corporations and limited liability companies; reduced fees for new business entities.*

Patron—Wampler

Referred to Committee on Labor and Commerce

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 12.1-21.3 as follows:

§ 12.1-21.3. Reduced fees for new business entities.

A. As used in this section:

"Business organizational fee" means any registration fee, filing fee, charter fee, entrance fee, or annual registration fee that any provision of Title 13.1 or Title 50 requires to be assessed, charged, or collected by the clerk of the Commission.

"New business entity" means any domestic corporation, limited liability company, business trust, partnership, or limited partnership that is formed on or after January 1, 2021, and is in existence for a period not exceeding 24 months.

B. Notwithstanding any provision of law to the contrary, any business organizational fee that any provision of the Code requires to be assessed, charged, or collected by the clerk of the Commission absent this section shall be reduced by 50 percent if the business organizational fee pertains to the filing with the clerk of a document or instrument by or on behalf of a new business entity. Upon payment to the clerk of such reduced business organizational fee, the clerk shall accept for filing such document or instrument as if the full amount set forth in the Code for such registration fee, filing fee, charter fee, entrance fee, or annual registration fee had been paid.

2. That the provisions of the first enactment of this act shall become effective on January 1, 2021.

3. That the State Corporation Commission shall by January 1, 2021, adopt such regulations as may be necessary for the implementation of § 12.1-21.3 of the Code of Virginia, as created by this act, including (i) criteria for determining when a person qualifies as a new business entity and (ii) procedures for contesting or appealing such determinations.

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