

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 13.1-1062 of the Code of Virginia, relating to limited liability*  
3 *companies; prepayment of annual registration fees.*

4  
5 Approved

[H 309]

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That § 13.1-1062 of the Code of Virginia is amended and reenacted as follows:**

8 **§ 13.1-1062. Assessment of annual registration fees; annual registration fees to be paid by**  
9 **domestic and foreign limited liability companies.**

10 A. Every domestic limited liability company, every protected series, every foreign limited liability  
11 company registered to transact business in the Commonwealth, and every foreign protected series  
12 registered to transact business in the Commonwealth shall pay into the state treasury on or before the  
13 last day of the twelfth month next succeeding the month in which it was organized, established, or  
14 registered to transact business in the Commonwealth, and by such date in each year thereafter, an annual  
15 registration fee of \$50, provided that (i) for a domestic limited liability company that became a domestic  
16 limited liability company by conversion from a domestic stock corporation or nonstock corporation, or  
17 by domestication from a foreign limited liability company that was registered to transact business in the  
18 Commonwealth at the time of the domestication, the annual registration fee shall be paid each year on  
19 or before the date on which its annual registration fee was due prior to the conversion or domestication  
20 and (ii) for a domestic limited liability company that became a domestic limited liability company by  
21 conversion from a domestic limited partnership or business trust, the annual registration fee shall be paid  
22 each year on or before the last day of the twelfth month next succeeding the month in which it was  
23 originally incorporated, organized, or formed as an entity, except the initial annual registration fee to be  
24 paid by the domestic limited liability company shall be due in the year after the calendar year in which  
25 the conversion became effective when the annual registration fee of the domestic limited partnership or  
26 business trust was paid for the calendar year in which it was converted, or when the month in which the  
27 conversion was effective precedes the month in which the domestic limited partnership or business trust  
28 was originally incorporated, organized, or formed as an entity by two months or less.

29 The annual registration fee shall be imposed irrespective of any specific license tax or other tax or  
30 fee imposed by law upon the domestic or foreign limited liability company or any protected series  
31 thereof for the privilege of carrying on its business in the Commonwealth or upon its franchise,  
32 property, or receipts.

33 B. Each year, the Commission shall ascertain from its records each domestic limited liability  
34 company, each protected series, each foreign limited liability company registered to transact business in  
35 the Commonwealth, and each foreign protected series registered to transact business in the  
36 Commonwealth, as of the first day of the second month next preceding the month in which it was  
37 organized, established, or registered to transact business in the Commonwealth, and, except as provided  
38 in subsection A, shall assess against each such limited liability company and each such protected series  
39 the annual registration fee herein imposed. Notwithstanding the foregoing, (i) for a domestic limited  
40 liability company that became a domestic limited liability company by conversion from a domestic stock  
41 corporation or nonstock corporation, or by domestication from a foreign limited liability company that  
42 was registered to transact business in the Commonwealth at the time of the domestication, the  
43 assessment shall be made as of the first day of the second month next preceding the month in which its  
44 annual registration fee was due prior to the conversion or domestication and (ii) for a domestic limited  
45 liability company that became a domestic limited liability company by conversion from a domestic  
46 limited partnership or business trust, except as provided in subsection A, the assessment shall be made  
47 as of the first day of the second month next preceding the month in which the domestic limited liability  
48 company was originally incorporated, organized, or formed as an entity.

49 C. At the discretion of the Commission, the annual registration fee due date for a limited liability  
50 company may be extended, on a monthly basis for a period of not less than one month nor more than  
51 11 months, at the request of its registered agent of record or as may be necessary to distribute annual  
52 registration fee due dates of limited liability companies as equally as practicable throughout the year on  
53 a monthly basis.

54 D. A statement of the assessment, when made, shall be forwarded by the clerk of the Commission to  
55 the Comptroller and to each domestic and foreign limited liability company and each protected series  
56 thereof.

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57 E. A domestic or foreign limited liability company shall not be required to pay the annual  
58 registration fee assessed against it pursuant to subsection B in any year if (i) the Commission issues or  
59 files any of the following types of certificate or instrument and (ii) the certificate or instrument is  
60 effective on or before the annual registration fee due date:

61 1. A certificate of cancellation of existence or a certificate of organization surrender for a domestic  
62 limited liability company;

63 2. A certificate of cancellation for a foreign limited liability company;

64 3. A certificate of merger or an authenticated copy of an instrument of merger for a domestic or  
65 foreign limited liability company that has merged into a surviving domestic limited liability company or  
66 other business entity or into a surviving foreign limited liability company or other business entity; or

67 4. An authenticated copy of an instrument of entity conversion for a foreign limited liability  
68 company that has converted to a different entity type.

69 The Commission shall cancel the annual registration fee assessments specified in this subsection that  
70 remain unpaid.

71 F. Annual registration assessments that have been paid shall not be refunded.

72 G. The fees paid into the state treasury under this section and the fees collected under § 13.1-1005  
73 shall be set aside and paid into the special fund created under § 13.1-775.1, and shall be used only by  
74 the Commission as it deems necessary to defray the costs of the Commission and of the office of the  
75 clerk of the Commission in supervising, implementing, administering and enforcing the provisions of  
76 this chapter. The projected excess of fees collected over the costs of administration and enforcement so  
77 incurred shall be paid into the general fund prior to the close of each fiscal year, based on the  
78 unexpended balance of the special fund at the end of the prior fiscal year. An adjustment of this transfer  
79 amount to reflect actual fees collected shall occur during the first quarter of the succeeding fiscal year.  
80 *For the purpose of determining the projected excess of fees and the actual fees collected under this*  
81 *section, the Commission, for any prepaid annual registration fee paid in accordance with subsection H,*  
82 *shall include only the portion of the prepaid annual registration fee attributable to the year to which the*  
83 *fee pertains.*

84 *H. Notwithstanding the provisions of this section, the Commission is authorized to establish a*  
85 *process for online prepayment of the annual registration fees required by this section whereby a*  
86 *domestic or foreign limited liability company may prepay its annual registration fees for two or three*  
87 *years.*