

CORPORATION REINSTATEMENT AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Adam Robertson

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions of Title 16, Corporations, regarding requirements for reinstatement following dissolution.

Highlighted Provisions:

This bill:

- ▶ amends application requirements for a nonprofit corporation or a corporation applying for reinstatement after dissolution;
- ▶ requires the Division of Corporations and Commercial Code to request that the State Tax Commission certify that the nonprofit corporation or corporation is in good standing;
- ▶ requires the State Tax Commission to notify the Division of Corporations and Commercial Code and the nonprofit corporation or corporation if a nonprofit corporation or corporation is not in good standing; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:



28 16-6a-1412, as last amended by Laws of Utah 2017, Chapter 122

29 16-10a-1422, as last amended by Laws of Utah 2017, Chapter 122



31 *Be it enacted by the Legislature of the state of Utah:*

32 Section 1. Section 16-6a-1412 is amended to read:

33 **16-6a-1412. Reinstatement following administrative dissolution -- Reinstatement**
34 **after voluntary dissolution.**

35 (1) A nonprofit corporation administratively dissolved under Section 16-6a-1411 may
36 apply to the division for reinstatement within two years after the effective date of dissolution by
37 delivering to the division for filing an application for reinstatement that states:

38 (a) the effective date of [its] the nonprofit corporation's administrative dissolution and
39 [its] the nonprofit corporation's corporate name on the effective date of dissolution;

40 (b) that the ground or grounds for dissolution:

41 (i) did not exist; or

42 (ii) have been eliminated;

43 (c) (i) the corporate name under which the nonprofit corporation is being reinstated;

44 and

45 (ii) the corporate name that satisfies the requirements of Section 16-6a-401;

46 (d) that the nonprofit corporation has paid all fees or penalties imposed under this
47 chapter or other applicable state law;

48 (e) that the nonprofit corporation:

49 (i) has paid any taxes, fees, or penalties owed to the State Tax Commission; or

50 (ii) is current on a payment plan with the State Tax Commission for any taxes, fees, or
51 penalties owed to the State Tax Commission;

52 (f) the address of the nonprofit corporation's registered office;

53 (g) the name of the nonprofit corporation's registered agent at the office stated in

54 Subsection (1)(f); and

55 (h) any additional information the division determines is necessary or appropriate.

56 (2) The nonprofit corporation shall include in or with the application for
57 reinstatement[:-(a)] the written consent to appointment[: by the designated registered agent[:
58 and].

59 ~~[(b) a certificate from the State Tax Commission that states that the nonprofit~~
60 ~~corporation:]~~

61 ~~[(i) has paid any taxes, fees, or penalties owed to the State Tax Commission; or]~~

62 ~~[(ii) is current on a payment plan with the State Tax Commission for any taxes, fees, or~~
63 ~~penalties owed to the State Tax Commission.]~~

64 (3) (a) After receiving a nonprofit corporation's application for reinstatement, the
65 division shall:

66 (i) provide the State Tax Commission with the nonprofit corporation's federal employer
67 identification number; and

68 (ii) request that the State Tax Commission certify that the nonprofit corporation is in
69 good standing.

70 (b) The State Tax Commission shall certify that a nonprofit corporation is in good
71 standing if the nonprofit corporation:

72 (i) has paid all taxes, fees, and penalties the nonprofit corporation owed to the State
73 Tax Commission; or

74 (ii) is current on a payment plan with the State Tax Commission for all taxes, fees, and
75 penalties the nonprofit corporation owes to the State Tax Commission.

76 (c) If a nonprofit corporation is not in good standing as described in Subsection (3)(b),
77 the State Tax Commission shall:

78 (i) notify the division and the nonprofit corporation; and

79 (ii) explain in the notification described in Subsection (3)(c)(i) why the nonprofit
80 corporation is not in good standing.

81 ~~[(3)]~~ (4) (a) The division shall revoke the administrative dissolution if:

82 (i) the division determines that the application for reinstatement contains the
83 information required by Subsections (1) and (2); ~~and~~

84 (ii) the division determines that the information in the application is correct[-]; and

85 (iii) the State Tax Commission certifies that the nonprofit corporation is in good
86 standing as described in Subsection (3)(b).

87 (b) The division shall mail written notice of the revocation to the nonprofit corporation
88 in the manner provided in Subsection 16-6a-1411(5) stating the effective date of the
89 dissolution.

90 ~~[(4)]~~ (5) When the reinstatement is effective:

91 (a) the reinstatement relates back to and takes effect as of the effective date of the
92 administrative dissolution;

93 (b) the nonprofit corporation may carry on ~~[its]~~ the nonprofit corporation's activities,
94 under the name stated pursuant to Subsection (1)(c), as if the administrative dissolution had
95 never occurred; and

96 (c) an act of the nonprofit corporation during the period of dissolution is effective and
97 enforceable as if the administrative dissolution had never occurred.

98 ~~[(5)]~~ (6) (a) The division may make rules for the reinstatement of a nonprofit
99 corporation voluntarily dissolved.

100 (b) The rules made under Subsection ~~[(5)]~~ (6)(a) shall be substantially similar to the
101 requirements of this section for reinstatement of a nonprofit corporation that is administratively
102 dissolved.

103 Section 2. Section **16-10a-1422** is amended to read:

104 **16-10a-1422. Reinstatement following dissolution.**

105 (1) A corporation dissolved under Section [16-10a-1403](#) or [16-10a-1421](#) may apply to
106 the division for reinstatement within two years after the effective date of dissolution by
107 delivering to the division for filing an application for reinstatement that states:

108 (a) the effective date of the corporation's dissolution;

109 (b) the corporation's corporate name as of the effective date of dissolution;

110 (c) that the grounds for dissolution either did not exist or have been eliminated;

111 (d) the corporate name under which the corporation is being reinstated;

112 (e) that the name stated in Subsection (1)(d) satisfies the requirements of Section
113 [16-10a-401](#);

114 (f) that the corporation has paid all fees or penalties imposed under this chapter or
115 other applicable state law;

116 (g) that the corporation:

117 (i) has paid any taxes, fees, or penalties owed to the State Tax Commission; or

118 (ii) is current on a payment plan with the State Tax Commission for any taxes, fees, or
119 penalties owed to the State Tax Commission;

120 (h) the address of the corporation's registered office in this state;

- 121 (i) the name of the corporation's registered agent at the office stated in Subsection
122 (1)(h); and
- 123 (j) any additional information the division determines to be necessary or appropriate.
- 124 (2) The corporation shall include in or with the application for reinstatement~~[(a)]~~ the
125 written consent to appointment by the designated registered agent~~[, and]~~.
- 126 ~~[(b) a certificate from the State Tax Commission that states that the corporation:]~~
127 ~~[(i) has paid any taxes, fees, or penalties owed to the State Tax Commission; or]~~
128 ~~[(ii) is current on a payment plan with the State Tax Commission for any taxes, fees, or~~
129 ~~penalties owed to the State Tax Commission.]~~
- 130 (3) (a) After receiving a corporation's application for reinstatement, the division shall:
- 131 (i) provide the State Tax Commission with the corporation's federal employer
132 identification number; and
- 133 (ii) request that the State Tax Commission certify that the corporation is in good
134 standing.
- 135 (b) The State Tax Commission shall certify that a corporation is in good standing if the
136 corporation:
- 137 (i) has paid all taxes, fees, and penalties the corporation owed to the State Tax
138 Commission; or
- 139 (ii) is currently on a payment plan with the State Tax Commission for all taxes, fees,
140 and penalties the corporation owes to the State Tax Commission.
- 141 (c) If a corporation is not in good standing as described in Subsection (3)(b), the State
142 Tax Commission shall:
- 143 (i) notify the division and the corporation; and
- 144 (ii) explain in the notification described in Subsection (3)(c)(i) why the corporation is
145 not in good standing.
- 146 ~~[(3) If]~~ (4) (a) The division shall revoke the administrative dissolution if:
- 147 (i) the division determines that the application for reinstatement contains the
148 information required by Subsections (1) and (2) [and];
- 149 (ii) the division determines that the information in the application is correct~~[, the~~
150 division shall revoke the administrative dissolution.]; and
- 151 (iii) the State Tax Commission certifies that the corporation is in good standing as

152 described in Subsection (3)(b).

153 (b) The division shall mail to the corporation in the manner provided in Subsection
154 16-10a-1421(5) written notice of:

155 [~~(a)~~] (i) the revocation; and

156 [~~(b)~~] (ii) the effective date of the revocation.

157 [~~(4)~~] (5) (a) When the reinstatement is effective, [~~it~~] the reinstatement relates back to
158 the effective date of the administrative dissolution.

159 (b) Upon reinstatement:

160 [~~(a)~~] (i) an act of the corporation during the period of dissolution is effective and
161 enforceable as if the administrative dissolution had never occurred; and

162 [~~(b)~~] (ii) the corporation may carry on [~~its~~] the corporation's business, under the name
163 stated pursuant to Subsection (1)(d), as if the administrative dissolution had never occurred.