

**BUSINESS ENTITIES AMENDMENTS**

2017 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Lyle W. Hillyard**

House Sponsor: R. Curt Webb

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**LONG TITLE**

**General Description:**

This bill modifies provisions related to reinstatement of a corporation or nonprofit corporation.

**Highlighted Provisions:**

This bill:

- ▶ provides that the division may reinstate a dissolved corporation or a dissolved nonprofit corporation that owes taxes, fees, or penalties to the State Tax Commission if the corporation or nonprofit corporation is current on a payment plan with the State Tax Commission; and

- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**16-6a-1412**, as last amended by Laws of Utah 2009, Chapter 386

**16-10a-1422**, as last amended by Laws of Utah 2009, Chapter 386

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

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

**16-6a-1412. Reinstatement following administrative dissolution -- Reinstatement**

30 **after voluntary dissolution.**

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

34 (a) the effective date of its administrative dissolution and its corporate name on the  
35 effective date of dissolution;

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

37 (i) did not exist; or

38 (ii) have been eliminated;

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

40 and

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

42 (d) that the nonprofit corporation has paid all [taxes,] fees[;] or penalties imposed  
43 [pursuant to] under this chapter[, otherwise owed by the nonprofit corporation to the State Tax  
44 Commission, or otherwise imposed by the applicable laws of this state have been paid] or other  
45 applicable state law;

46 (e) that the nonprofit corporation:

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

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

50 ~~[(e)]~~ (f) the address of ~~[its]~~ the nonprofit corporation's registered office;

51 ~~[(f)]~~ (g) the name of ~~[its]~~ the nonprofit corporation's registered agent at the office stated  
52 in Subsection (1)~~[(e)]~~~~[(f)]~~; and

53 ~~[(g)]~~ (h) ~~[the]~~ any additional information [as] the division determines is necessary or  
54 appropriate.

55 (2) The nonprofit corporation shall include in or with the application for reinstatement:

56 (a) the written consent to appointment by the designated registered agent; and

57 (b) a certificate from the State Tax Commission ~~[reciting that all taxes owed by the~~

58 ~~nonprofit corporation have been paid.]~~ that states that the nonprofit corporation:

- 59 (i) has paid any taxes, fees, or penalties owed to the State Tax Commission; or
- 60 (ii) is current on a payment plan with the State Tax Commission for any taxes, fees, or
- 61 penalties owed to the State Tax Commission.

62 (3) (a) The division shall revoke the administrative dissolution if:

- 63 (i) the division determines that the application for reinstatement contains the
- 64 information required by Subsections (1) and (2); and
- 65 (ii) that the information is correct.

66 (b) The division shall mail written notice of the revocation to the nonprofit corporation

67 in the manner provided in Subsection 16-6a-1411(5) stating the effective date of the

68 dissolution.

69 (4) When the reinstatement is effective:

70 (a) the reinstatement relates back to and takes effect as of the effective date of the

71 administrative dissolution;

72 (b) the nonprofit corporation may carry on its activities, under the name stated pursuant

73 to Subsection (1)(c), as if the administrative dissolution had never occurred; and

74 (c) an act of the nonprofit corporation during the period of dissolution is effective and

75 enforceable as if the administrative dissolution had never occurred.

76 (5) (a) The division may make rules for the reinstatement of a nonprofit corporation

77 voluntarily dissolved.

78 (b) The rules made under Subsection (5)(a) shall be substantially similar to the

79 requirements of this section for reinstatement of a nonprofit corporation that is administratively

80 dissolved.

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

82 **16-10a-1422. Reinstatement following dissolution.**

83 (1) A corporation dissolved under Section 16-10a-1403 or 16-10a-1421 may apply to

84 the division for reinstatement within two years after the effective date of dissolution by

85 delivering to the division for filing an application for reinstatement that states:

- 86 (a) the effective date of the corporation's dissolution;
- 87 (b) the corporation's corporate name as of the effective date of dissolution;
- 88 (c) that the grounds for dissolution either did not exist or have been eliminated;
- 89 (d) the corporate name under which the corporation is being reinstated;
- 90 (e) that the name stated in Subsection (1)(d) satisfies the requirements of Section
- 91 [16-10a-401](#);
- 92 (f) that the corporation has paid all [taxes,] fees[;] or penalties imposed [pursuant to]
- 93 under this chapter[, otherwise owed by the corporation to the State Tax Commission, or
- 94 otherwise imposed by applicable laws of this state have been paid] or other applicable state
- 95 law;
- 96 (g) that the corporation:
- 97 (i) has paid any taxes, fees, or penalties owed to the State Tax Commission; or
- 98 (ii) is current on a payment plan with the State Tax Commission for any taxes, fees, or
- 99 penalties owed to the State Tax Commission;
- 100 ~~[(g)]~~ (h) the address of ~~[its]~~ the corporation's registered office in this state;
- 101 ~~[(h)]~~ (i) the name of ~~[its]~~ the corporation's registered agent at the office stated in
- 102 Subsection (1)~~[(g)]~~(h); and
- 103 ~~[(i)]~~ (j) any additional information the division determines to be necessary or
- 104 appropriate.
- 105 (2) The corporation shall include in or with the application for reinstatement:
- 106 (a) the written consent to appointment by the designated registered agent; and
- 107 (b) a certificate from the State Tax Commission ~~[reciting that all taxes owed by the~~
- 108 ~~corporation have been paid:]~~ that states that the corporation:
- 109 (i) has paid any taxes, fees, or penalties owed to the State Tax Commission; or
- 110 (ii) is current on a payment plan with the State Tax Commission for any taxes, fees, or
- 111 penalties owed to the State Tax Commission.
- 112 (3) If the division determines that the application for reinstatement contains the
- 113 information required by Subsections (1) and (2) and that the information is correct, the division

114 shall revoke the administrative dissolution. The division shall mail to the corporation in the  
115 manner provided in Subsection 16-10a-1421(5) written notice of:

116 (a) the revocation; and

117 (b) the effective date of the revocation.

118 (4) When the reinstatement is effective, it relates back to the effective date of the  
119 administrative dissolution. Upon reinstatement:

120 (a) an act of the corporation during the period of dissolution is effective and  
121 enforceable as if the administrative dissolution had never occurred; and

122 (b) the corporation may carry on its business, under the name stated pursuant to  
123 Subsection (1)(d), as if the administrative dissolution had never occurred.