Senate Bill 234

By: Senators Cowsert of the 46th, Meyer von Bremen of the 12th, Adelman of the 42nd, Smith of the 52nd, Harp of the 29th and others

AS PASSED

A BILL TO BE ENTITLED

AN ACT

To amend Title 14 of the Official Code of Georgia Annotated, relating to corporations, partnerships, and associations, so as to provide for the Secretary of State to collect a filing fee for certificates of conversion filed when a Georgia corporation, Georgia limited partnership, or Georgia limited liability company converts to a foreign corporation, foreign limited partnership, or foreign limited liability company, respectively; to provide that a certificate of conversion be filed with the Secretary of State to evidence a conversion; to allow a copy of a certificate of conversion be filed with the clerk of the superior court in any county in which a converting entity owns property; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Title 14 of the Official Code of Georgia Annotated, relating to corporations, partnerships, and associations, is amended by revising Code Section 14-2-122, relating to filing fees and penalties, as follows:

"14-2-122.

The Secretary of State shall collect the following fees and penalties when the documents described in this Code section are delivered to him or her for filing:

Document	Fee
(1) Articles of incorporation	$ 100.00
(2) Application for certificate of authority	225.00
(3) Annual registration	30.00
(4) Agent´s statement of resignation	No fee
(5) Certificate of judicial dissolution	No fee
(6) Application for reservation of a corporate name	25.00
(7) Civil penalty for a foreign corporation transacting business in this state without a certificate of authority	500.00

(8) Statement of change of address of registered agent...$5.00 per corporation but not less than 20.00

(9) Application for reinstatement 100.00

(10) Certificate of conversion 95.00

(11) Any other document required or permitted to be filed by this chapter . . 20.00″

SECTION 2.

Said title is further amended by revising Code Section 14-2-1109.3, relating to conversion to foreign limited liability company, foreign limited partnership, or foreign corporation, by adding a new subsections to read as follows:

″(i) After a plan of conversion is approved by the shareholders, the corporation shall deliver to the Secretary of State for filing a certificate of conversion setting forth:

(1) The name of the corporation;

(2) The name and jurisdiction of the entity to which the corporation shall be converted;

(3) The effective date, or the effective date and time, of such conversion if later than the date and time the certificate of conversion is filed;

(4) A statement that the plan of conversion has been adopted as required by subsection (c) of this Code section;

(5) A statement that the authority of its registered agent to accept service on its behalf is revoked as of the effective time of such conversion and that the Secretary of State is irrevocably appointed as the agent for service of process on the resulting entity in any proceeding to enforce an obligation of the corporation arising prior to the effective time of such conversion;

(6) A mailing address to which a copy of any process served on the Secretary of State under paragraph (5) of this subsection may be mailed as provided in subsection (j) of this Code section; and

(7) A statement that the Secretary of State shall be notified of any change in the resulting entity´s mailing address.

(j) Upon the conversion´s taking effect, the resulting entity is deemed to appoint the Secretary of State as its agent for service of process in a proceeding to enforce any of its obligations arising prior to the effective time of such conversion. Any party that serves process upon the Secretary of State in accordance with this subsection also shall mail a copy of the process to the chief executive officer, chief financial officer, or the secretary of the resulting entity, or a person holding a comparable position, at the mailing address provided in subsection (i) of this Code section.

(k) A converting corporation pursuant to this Code section may file a copy of its certificate of conversion, certified by the Secretary of State, in the office of the clerk of the superior court of the county where any real property owned by such corporation is located and record such certified copy of the certificate of conversion in the books kept by such clerk for recordation of deeds in such county with the corporation indexed as the grantor and the foreign entity indexed as the grantee. No real estate transfer tax otherwise required by Code Section 48-6-1 shall be due with respect to recordation of such certificate of conversion."

SECTION 3.

Said title is further amended by revising Code Section 14-9-206.8, relating to conversion to foreign limited liability company, foreign limited partnership, or foreign corporation, by adding a new subsections to read as follows:

"(g) After a plan of conversion is approved by the partners, the limited partnership shall deliver to the Secretary of State for filing a certificate of conversion setting forth:

(1) The name of the limited partnership;

(2) The name and jurisdiction of the entity to which the limited partnership shall be converted;

(3) The effective date, or the effective date and time, of such conversion if later than the date and time the certificate of conversion is filed;

(4) A statement that the plan of conversion has been approved as required by subsection (c) of this Code section;

(5) A statement that the authority of its registered agent to accept service on its behalf is revoked as of the effective time of such conversion and that the Secretary of State is irrevocably appointed as the agent for service of process on the resulting entity in any proceeding to enforce an obligation of the limited partnership arising prior to the effective time of such conversion;

(6) A mailing address to which a copy of any process served on the Secretary of State under paragraph (5) of this subsection may be mailed as provided in subection (h) of this Code section; and

(7) A statement that the Secretary of State shall be notified of any change in the resulting entity´s mailing address.

(h) Upon the conversion´s taking effect, the resulting entity is deemed to appoint the Secretary of State as its agent for service of process in a proceeding to enforce any of its obligations arising prior to the effective time of such conversion. Any party that serves process upon the Secretary of State in accordance with this subsection also shall mail a copy of the process to the chief executive officer, chief financial officer, or the secretary

of the resulting entity, or a person holding a comparable position, at the mailing address provided in subsection (g) of this Code section.

(i) A converting limited partnership pursuant to this Code section may file a copy of its certificate of conversion, certified by the Secretary of State, in the office of the clerk of the superior court of the county where any real property owned by such limited partnership is located and record such certified copy of the certificate of conversion in the books kept by such clerk for recordation of deeds in such county with the limited partnership indexed as the grantor and the foreign entity indexed as the grantee. No real estate transfer tax otherwise required by Code Section 48-6-1 shall be due with respect to recordation of such certificate of conversion."

SECTION 4.

Said title is further amended by revising Code Section 14-9-1101, relating to fees, as follows:

"14-9-1101.

The Secretary of State shall charge and collect for:

(1) Filing a certificate of limited partnership	$ 100.00
(2) Filing a registration of a foreign limited partnership	225.00
(3) Filing an annual registration	30.00
(4) Agent´s statement of resignation	No fee
(5) Statement of change of address of registered agent or registered office... $5.00 per limited partnership but not less than	20.00
(6) Filing of an amendment to a certificate of limited partnership for the purpose of becoming a limited liability partnership	100.00
(7) Certificate of election to become a limited partnership	80.00
~~(8) Filing any other document required or permitted pursuant to this chapter~~	~~20.00~~
(8) Certificate of conversion	95.00
(9) Application for reservation of a name	25.00
(10) Filing any other document required or permitted pursuant to this chapter	20.00"

SECTION 5.

Said title is further amended by revising Code Section 14-11-906, relating to election by a limited liability company to become a foreign limited liability company, a foreign limited partnership, or a foreign corporation and certificate of authority, so as to add new subsections to read as follows:

"(g) After a plan of conversion is approved by the members, the limited liability company shall deliver to the Secretary of State for filing a certificate of conversion setting forth:

(1) The name of the limited liability company;

(2) The name and jurisdiction of the entity to which the limited liability company shall be converted;

(3) The effective date, or the effective date and time, of such conversion if later than the date and time the certificate of conversion is filed;

(4) A statement that the plan of conversion has been approved as required by subsection (c) of this Code section;

(5) A statement that the authority of its registered agent to accept service on its behalf is revoked as of the effective time of such conversion and that the Secretary of State is irrevocably appointed as the agent for service of process on the resulting entity in any proceeding to enforce an obligation of the limited liability company arising prior to the effective time of such conversion, including the rights, if any, of dissenting members;

(6) A mailing address to which a copy of any process served on the Secretary of State under paragraph (5) of this subsection may be mailed; and

(7) A statement that the Secretary of State shall be notified of any change in the resulting entity´s mailing address.

(h) Upon the conversion´s taking effect, the resulting entity is deemed:

(1) To appoint the Secretary of State as its agent for service of process in a proceeding to enforce any of its obligations arising prior to the effective time of such conversion, including the rights, if any, of dissenting members; and

(2) To agree that it will promptly pay to any dissenting members the amount, if any, to which such member is entitled under Article 10 of this chapter.

(i) A converting limited liability company pursuant to this Code section may file a copy of its certificate of conversion, certified by the Secretary of State, in the office of the clerk of the superior court of the county where any real property owned by such limited liability company is located and record such certified copy of the certificate of conversion in the books kept by such clerk for recordation of deeds in such county with the limited liability company indexed as the grantor and the foreign entity indexed as the grantee. No real estate transfer tax otherwise required by Code Section 48-6-1 shall be due with respect to recordation of such certificate of conversion."

SECTION 6.

Said title is further amended by revising subsection (a) of Code Section 14-11-1101, relating to filing fees and penalties, as follows:

"(a) The Secretary of State shall collect the following fees when the documents described below are delivered to the Secretary of State for filing pursuant to this chapter:

Document	Fee

(1) Articles of organization . . . . . .$ 100.00

(2) Articles of amendment 20.00

(3) Articles of merger 20.00

(4) Certificate of election under Code Section 14-11-212 (together with articles of organization) 95.00

(5) Application for certificate of authority to transact business 225.00

(6) Statement of commencement of winding up 20.00

(7) Certificate of termination 20.00

(8) Articles of correction 20.00

(9) Application for reservation of a name 25.00

(10) Statement of change of registered office or registered agent...$5.00 per limited liability company (foreign or domestic), but not less than 20.00

(11) Registered agent´s statement of resignation pursuant to subsection (d) of Code Section 14-11-209 or subsection (d) of Code Section 14-11-703 . . . . . No fee

(12) Certificate of judicial dissolution . . . . . No fee

(13) Annual registration (foreign or domestic) 30.00

(14) Reinstatement fee 100.00

(15) Any other document required or permitted to be filed by this chapter . . 20.00

(16) Certificate of conversion ~~All foreign entity conversions~~ . . . . . 95.00″

SECTION 7.

All laws and parts of laws in conflict with this Act are repealed.