

SB1262



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB1262

Introduced 2/18/2005, by Sen. Martin A. Sandoval - Emil Jones, Jr.

SYNOPSIS AS INTRODUCED:

805 ILCS 5/15.35

from Ch. 32, par. 15.35

Amends the Business Corporation Act of 1983. Makes a technical change in a Section concerning franchise taxes payable by domestic corporations.

LRB094 04901 RXD 34930 b

A BILL FOR

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Business Corporation Act of 1983 is amended
5 by changing Section 15.35 as follows:

6 (805 ILCS 5/15.35) (from Ch. 32, par. 15.35)

7 Sec. 15.35. Franchise taxes payable by domestic
8 corporations. For the ~~the~~ privilege of exercising its
9 franchises in this State, each domestic corporation shall pay
10 to the Secretary of State the following franchise taxes,
11 computed on the basis, at the rates and for the periods
12 prescribed in this Act:

13 (a) An initial franchise tax at the time of filing its
14 first report of issuance of shares.

15 (b) An additional franchise tax at the time of filing (1) a
16 report of the issuance of additional shares, or (2) a report of
17 an increase in paid-in capital without the issuance of shares,
18 or (3) an amendment to the articles of incorporation or a
19 report of cumulative changes in paid-in capital, whenever any
20 amendment or such report discloses an increase in its paid-in
21 capital over the amount thereof last reported in any document,
22 other than an annual report, interim annual report or final
23 transition annual report required by this Act to be filed in
24 the office of the Secretary of State.

25 (c) An additional franchise tax at the time of filing a
26 report of paid-in capital following a statutory merger or
27 consolidation, which discloses that the paid-in capital of the
28 surviving or new corporation immediately after the merger or
29 consolidation is greater than the sum of the paid-in capital of
30 all of the merged or consolidated corporations as last reported
31 by them in any documents, other than annual reports, required
32 by this Act to be filed in the office of the Secretary of

1 State; and in addition, the surviving or new corporation shall
2 be liable for a further additional franchise tax on the paid-in
3 capital of each of the merged or consolidated corporations as
4 last reported by them in any document, other than an annual
5 report, required by this Act to be filed with the Secretary of
6 State from their taxable year end to the next succeeding
7 anniversary month or, in the case of a corporation which has
8 established an extended filing month, the extended filing month
9 of the surviving or new corporation; however if the taxable
10 year ends within the 2 month period immediately preceding the
11 anniversary month or, in the case of a corporation which has
12 established an extended filing month, the extended filing month
13 of the surviving or new corporation the tax will be computed to
14 the anniversary month or, in the case of a corporation which
15 has established an extended filing month, the extended filing
16 month of the surviving or new corporation in the next
17 succeeding calendar year.

18 (d) An annual franchise tax payable each year with the
19 annual report which the corporation is required by this Act to
20 file.

21 (Source: P.A. 86-985.)