

ASSEMBLY, No. 2844

STATE OF NEW JERSEY

INTRODUCED MARCH 24, 1997

By Assemblyman BATEMAN

1 AN ACT concerning nonprofit corporations and amending
2 N.J.S. 15A:4-5.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. N.J.S.15A:4-5 is amended to read as follows:
8 15A:4-5. Annual Report to Secretary of State.

9 a. Every domestic corporation and every foreign corporation
10 authorized to conduct activities in this State shall file in the office of
11 the Secretary of State, within the time prescribed by this section, an
12 annual report, executed on behalf of the corporation, setting forth:

13 (1) the name of the corporation and, in the case of a foreign
14 corporation, the jurisdiction of its incorporation;

15 (2) the address, including the actual location as well as postal
16 designation, if different, of the registered office of the corporation in
17 this State, and the name of its registered agent in this State at that
18 address, and, if a foreign corporation, the address of its main or
19 headquarters office; and

20 (3) the names and addresses of the trustees and the officers of the
21 corporation, which addresses shall be either the residence address of
22 that person or other address where that person regularly receives mail
23 and which is not the address of the corporation.

24 b. The Secretary of State shall designate a date for filing annual
25 reports for each corporation required to submit a report pursuant to
26 this section and shall annually notify the corporation of the date so
27 designated not less than 60 days prior to that date. The corporation
28 shall file the report within 30 days before or within 30 days after the
29 date so designated. If the date so designated is not more than 6
30 months after the date on which an annual report pursuant to the
31 provisions of prior law was filed or on which the certificate of
32 incorporation became effective, the corporation shall not be required
33 to file an annual report until 1 year after the first occurrence of the
34 date so designated.

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 c. If the report is not filed for 2 consecutive years, the certificate
2 of incorporation of the corporation or the certificate of authority of a
3 foreign corporation shall, after written demand for the reports by the
4 Secretary of State by certified mail addressed to the corporation at the
5 last address appearing of record in the office of the Secretary of State,
6 be revoked for the failure to file reports. No corporation shall be
7 subject to the revocation of its certificate of incorporation or its
8 certificate of authority if it shall, within 60 days after the written
9 demand, file the reports required by law and pay to the Secretary of
10 State the fee provided by law for the filing of each report. [Any
11 corporation having its certificate of incorporation or its certificate of
12 authority revoked may, within 2 years of the revocation, cause a
13 reinstatement of the certificate upon payment to the Secretary of State
14 of double the amount of the fee then payable upon the filing of the
15 certificate and upon filing a current annual report.] If the certificate
16 of incorporation of a domestic corporation or a certificate of authority
17 of a foreign corporation has been revoked, the certificate shall be
18 reinstated by proclamation of the Secretary of State upon payment to
19 the Secretary of State by the corporation of double the amount of the
20 annual fee payable for each year for which it failed to file an annual
21 report and upon filing a current annual report. The reinstatement
22 relates back to the date of revocation of the certificate of
23 incorporation or the certificate of authority and shall validate all
24 actions taken in the interim. In the event that in the interim the
25 corporate name has become unavailable, the Secretary of State shall
26 issue the certificate upon, in the case of a domestic corporation, the
27 filing of an amendment to its certificate of incorporation to change the
28 corporate name to an available name, and, in the case of a foreign
29 corporation, the filing of an amended certificate of authority adopting
30 an assumed name.

31 d. The Secretary of State shall furnish annual report forms, shall
32 keep all the reports and shall prepare an alphabetical index thereof.
33 The reports and index shall be open to public inspection at proper
34 hours.

35 (cf: P.L.1983, c.127, s.15A:4-5)

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37 2. This act shall take effect immediately.

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STATEMENT

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42 Currently, any nonprofit corporation which has had its certificate
43 of incorporation or certificate of authority revoked for failure to file
44 an annual report with the Secretary of State may, within two years of
45 the revocation, make an application for reinstatement. The
46 corporation must also pay double the amount of the fee and file a

1 current annual report. This bill eliminates the two year limitation on
2 when a reinstatement can be effected and makes the procedures for
3 reinstating a nonprofit corporation similar to the procedures in N.J.S.
4 14A:4-6 of the "New Jersey Business Corporation Act."

5 Under the provisions of the bill, a certificate of incorporation or
6 certificate of authority will be reinstated if the corporation pays double
7 the amount of the annual fee for each year for which it failed to file an
8 annual report and upon filing of a current annual report. This is the
9 same as the current provision. However, the bill provides that the
10 reinstatement would relate back to the date of revocation of the
11 certificate and all action taken in the interim would be validated.
12 These modifications will prevent nonprofit corporations, which include
13 charities, from being dissolved solely as a result of the failure to file an
14 annual report, which is inconsistent with the treatment of business
15 corporations.

16 This bill also makes provisions for a situation in which the
17 corporate name becomes unavailable in the interim. The bill provides
18 that if the name becomes unavailable, in the case of a domestic
19 corporation, the Secretary of State is authorized to issue a certificate
20 of incorporation to change the corporate name to an available name.
21 In the case of a foreign corporation, the Secretary would issue a
22 certificate upon the filing of an amended certificate of authority
23 adopting an assumed name.

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28 Removes certain limitations on reinstatements of certificates of
29 incorporations of nonprofit corporations.