

# HB1263



## 99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB1263

by Rep. Michael J. Madigan

### 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.

LRB099 05113 JLS 25142 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

1 the office of the Secretary of State.

2 (c) An additional franchise tax at the time of filing a  
3 report of paid-in capital following a statutory merger or  
4 consolidation, which discloses that the paid-in capital of the  
5 surviving or new corporation immediately after the merger or  
6 consolidation is greater than the sum of the paid-in capital of  
7 all of the merged or consolidated corporations as last reported  
8 by them in any documents, other than annual reports, required  
9 by this Act to be filed in the office of the Secretary of  
10 State; and in addition, the surviving or new corporation shall  
11 be liable for a further additional franchise tax on the paid-in  
12 capital of each of the merged or consolidated corporations as  
13 last reported by them in any document, other than an annual  
14 report, required by this Act to be filed with the Secretary of  
15 State from their taxable year end to the next succeeding  
16 anniversary month or, in the case of a corporation which has  
17 established an extended filing month, the extended filing month  
18 of the surviving or new corporation; however if the taxable  
19 year ends within the 2 month period immediately preceding the  
20 anniversary month or, in the case of a corporation which has  
21 established an extended filing month, the extended filing month  
22 of the surviving or new corporation the tax will be computed to  
23 the anniversary month or, in the case of a corporation which  
24 has established an extended filing month, the extended filing  
25 month of the surviving or new corporation in the next  
26 succeeding calendar year.

1           (d) An annual franchise tax payable each year with the  
2 annual report which the corporation is required by this Act to  
3 file.

4           (Source: P.A. 86-985.)