

1 AN ACT regarding business corporations.

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  
5 amended 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 privilege of exercising its franchises  
9 in this State, each domestic corporation shall pay to the  
10 Secretary of State the following franchise taxes, computed on  
11 the basis, at the rates and for the periods prescribed in  
12 this Act:

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

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

26 (c) An additional franchise tax at the time of filing a  
27 report of paid-in capital following a statutory merger or  
28 consolidation, which discloses that the paid-in capital of  
29 the surviving or new corporation immediately after the merger  
30 or consolidation is greater than the sum of the paid-in  
31 capital of all of the merged or consolidated corporations as

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

21 (d) An annual franchise tax payable each year with the  
22 annual report which the corporation is required by this Act  
23 to file.

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