

AN ACT concerning business.

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

Section 5. The Business Corporation Act of 1983 is amended by changing Sections 13.50, 13.55, and 13.70 as follows:

(805 ILCS 5/13.50) (from Ch. 32, par. 13.50)

Sec. 13.50. Grounds for revocation of authority. The authority of a foreign corporation to transact business in this State may be revoked by the Secretary of State:

(a) Upon the failure of an officer or director to whom interrogatories have been propounded by the Secretary of State as provided in this Act, to answer the same fully and to file such answer in the office of the Secretary of State.

(b) If the answer to such interrogatories discloses, or if the fact is otherwise ascertained, that the proportion of the sum of the paid-in capital of such corporation represented in this State is greater than the amount on which such corporation has theretofore paid fees and franchise taxes, and the deficiency therein is not paid.

(c) If the corporation for a period of one year has transacted no business and has had no tangible property in this State as revealed by its annual reports.

(d) Upon the failure of the corporation to keep on file in

the office of the Secretary of State duly authenticated copies of each amendment to its articles of incorporation.

(e) Upon the failure of the corporation to appoint and maintain a registered agent in this State.

(f) Upon the failure of the corporation to file for record in the office of the recorder of the county in which its registered office is situated, any appointment of registered agent.

(g) Upon the failure of the corporation to file any report after the period prescribed by this Act for the filing of such report.

(h) Upon the failure of the corporation to pay any fees, franchise taxes, or charges prescribed by this Act.

(i) For misrepresentation of any material matter in any application, report, affidavit, or other document filed by such corporation pursuant to this Act.

(j) Upon the failure of the corporation to renew its assumed name or to apply to change its assumed name pursuant to the provisions of this Act, when the corporation can only transact business within this State under its assumed name in accordance with the provisions of Section 4.05 of this Act.

(k) When under the provisions of the "Consumer Fraud and Deceptive Business Practices Act" a court has found that the corporation substantially and willfully violated such Act.

(l) Upon tender of payment to the Secretary of State which is subsequently returned due to insufficient funds, a closed

account, or any other reason, and acceptable payment has not been subsequently tendered.

(m) When the Secretary of State receives a copy of a memorandum of judgment relating to a judgment entered for money owed to a unit of local government or school district, together with a statement filed by its attorney that the judgment has not been satisfied and that no appeal has been filed.

(Source: P.A. 92-33, eff. 7-1-01; 93-59, eff. 7-1-03.)

(805 ILCS 5/13.55) (from Ch. 32, par. 13.55)

Sec. 13.55. Procedure for revocation of authority.

(a) After the Secretary of State determines that one or more grounds exist under Section 13.50 for the revocation of authority of a foreign corporation, he or she shall send by regular mail to each delinquent corporation a Notice of Delinquency to its registered office, or, if the corporation has failed to maintain a registered office, then to the president or other principal officer at the last known office of said officer.

(b) If the corporation does not correct the default described in paragraphs (c) through (k), and paragraph (m), of Section 13.50 within 90 days following such notice, the Secretary of State shall thereupon revoke the authority of the corporation by issuing a certificate of revocation that recites the grounds for revocation and its effective date. If the corporation does not correct the default described in paragraph

(a), (b), or (1) of Section 13.50, within 30 days following such notice, the Secretary of State shall thereupon revoke the authority of the corporation by issuing a certificate of revocation as herein prescribed. The Secretary of State shall file the original of the certificate in his or her office, mail one copy to the corporation at its registered office or, if the corporation has failed to maintain a registered office, then to the president or other principal officer at the last known office of said officer, and file one copy for record in the office of the recorder of the county in which the registered office of the corporation in this State is situated, to be recorded by such recorder. The recorder shall submit for payment to the Secretary of State, on a quarterly basis, the amount of filing fees incurred.

(c) Upon the issuance of the certificate of revocation, the authority of the corporation to transact business in this State shall cease and such revoked corporation shall not thereafter carry on any business in this State.

(Source: P.A. 92-33, eff. 7-1-01; 93-59, eff. 7-1-03.)

(805 ILCS 5/13.70) (from Ch. 32, par. 13.70)

Sec. 13.70. Transacting business without authority.

(a) No foreign corporation transacting business in this State without authority to do so is permitted to maintain a civil action in any court of this State, until the corporation obtains that authority. Nor shall a civil action be maintained

in any court of this State by any successor or assignee of the corporation on any right, claim or demand arising out of the transaction of business by the corporation in this State, until authority to transact business in this State is obtained by the corporation or by a corporation that has acquired all or substantially all of its assets.

(b) The failure of a foreign corporation to obtain authority to transact business in this State does not impair the validity of any contract or act of the corporation, and does not prevent the corporation from defending any action in any court of this State.

(c) A foreign corporation that transacts business in this State without authority is liable to this State, for the years or parts thereof during which it transacted business in this State without authority, in an amount equal to all fees, franchise taxes, penalties and other charges that would have been imposed by this Act upon the corporation had it duly applied for and received authority to transact business in this State as required by this Act, but failed to pay the franchise taxes that would have been computed thereon, and thereafter filed all reports required by this Act; and, if a corporation fails to file an application for authority within 60 days after it commences business in this State, in addition thereto it is liable for a penalty of either 10% of the filing fee, license fee and franchise taxes or \$200 plus \$5.00 for each month or fraction thereof in which it has continued to transact business

in this State without authority therefor, whichever penalty is greater. The Attorney General shall bring proceedings to recover all amounts due this State under this Section.

(d) The Attorney General shall bring an action to restrain a foreign corporation from transacting business in this State, if the authority of the foreign corporation to transact business has been revoked under subsection (m) of Section 13.50 of this Act.

(Source: P.A. 92-33, eff. 7-1-01.)

Section 10. The Limited Liability Company Act is amended by changing Sections 45-35 and 45-50 as follows:

(805 ILCS 180/45-35)

Sec. 45-35. Revocation of admission.

(a) The admission of a foreign limited liability company to transact business in this State may be revoked by the Secretary of State upon the occurrence of any of the following events:

(1) The foreign limited company has failed to:

(A) file its limited liability company annual report within the time required by Section 50-1 or has failed to pay any fees or penalties prescribed by this Article;

(B) appoint and maintain a registered agent in Illinois within 60 days after a registered agent's notice of resignation under Section 1-35;

(C) file a report upon any change in the name or business address of the registered agent;

(D) file in the Office of the Secretary of State any amendment to its application for admission as specified in Section 45-25; or

(E) renew its assumed name, or to apply to change its assumed name under this Act, when the limited liability company may only transact business within this State under its assumed name.

(2) A misrepresentation has been made of any material matter in any application, report, affidavit, or other document submitted by the foreign limited liability company under this Article.

(3) Receipt by the Secretary of State of a certified copy of a memorandum of judgment relating to a judgment entered for money owed to a unit of local government or school district, together with a statement filed by its attorney that the judgment has not been satisfied and that no appeal has been filed.

(b) The admission of a foreign limited liability company shall not be revoked by the Secretary of State unless all of the following occur:

(1) The Secretary of State has given the foreign limited liability company not less than 60 days' notice thereof by mail addressed to its registered office in this State or, if the foreign limited liability company fails to

appoint and maintain a registered agent in this State, addressed to the office required to be maintained under paragraph (5) of subsection (a) of Section 45-5.

(2) During that 60 day period, the foreign limited liability company has failed to file the limited liability company report, to pay fees or penalties, to file a report of change regarding the registered agent, to file any amendment, ~~or~~ to correct any misrepresentation.

(c) Upon the expiration of 120 days after the mailing of the notice, the admission of the foreign limited liability company to transact business in this State shall cease.

(Source: P.A. 93-59, eff. 7-1-03.)

(805 ILCS 180/45-50)

Sec. 45-50. Action to restrain from transaction of business.

(a) The Attorney General may bring an action to restrain a foreign limited liability company from transacting business in this State in violation of this Article.

(b) If the authority of a foreign limited liability company to do business in Illinois ceases because of failure to pay a judgment reported to the Secretary of State under subdivision (a) (3) of Section 45-35, then the Attorney General shall bring an action to restrain a foreign limited liability company from transacting business in this State.

(Source: P.A. 87-1062.)

Public Act 095-0515

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Section 99. Effective date. This Act takes effect upon becoming law.