

By: Senator(s) Minor

To: Finance

SENATE BILL NO. 2936

1 AN ACT TO AMEND SECTION 27-13-27, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE THE STATE TAX COMMISSION TO REQUEST THE SECRETARY OF
3 STATE TO SEEK THE ADMINISTRATIVE DISSOLUTION OF A CORPORATION OR
4 REVOCATION OF THE CERTIFICATE OF AUTHORITY OF A FOREIGN
5 CORPORATION FOR FAILURE TO PAY THE STATE CORPORATION FRANCHISE
6 TAX; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** Section 27-13-27, Mississippi Code of 1972, is
9 amended as follows:

10 27-13-27. (1) If any corporation or organization taxable
11 under this chapter after receiving due process under the
12 provisions of this chapter, shall fail or refuse to pay the tax
13 demanded and determined by the commissioner, together with all
14 penalties and interest shown to be due, or if such corporation or
15 organization shall fail to file a protest against such assessment,
16 or appeal therefrom, then the commissioner, in addition to the
17 other authority conferred upon him in this chapter, may request
18 the administrative dissolution of such corporation or organization
19 pursuant to Sections 79-4-14.20 through 79-4-14.23, or the
20 revocation of the certificate of authority of such corporation or
21 organization pursuant to Section 79-4-15.30 through 79-4-15.33, as
22 the case may be. Whereupon, the commissioner shall notify the
23 Secretary of State of such request for administrative dissolution
24 or revocation of certificate of authority.

25 (2) Any officer, agent, or employee of any organization
26 subject to the provisions of this chapter, who shall exercise,
27 attempt to exercise or cause to be exercised, any of the rights,
28 privileges, powers or franchises of any such organization after
29 such administrative dissolution or revocation of certificate of



30 authority shall be deemed to have acted in violation of the
31 provisions of this chapter, and as a penalty therefor, shall be
32 fined a sum not less than One Hundred Dollars (\$100.00) and not
33 more than One Thousand Dollars (\$1,000.00) to be collected by the
34 Attorney General of the State of Mississippi upon recommendation
35 of the commissioner, by appropriate action in any court of
36 competent jurisdiction and each such act shall be deemed a
37 separate violation of the provisions of this chapter, and the
38 amount of the penalty shall be stated in the action brought by the
39 Attorney General of the State of Mississippi. The penalty herein
40 provided shall be against the person violating the provisions of
41 this chapter and be proceeded against in personam and shall be in
42 addition to the tax, interest, penalty and increase assessed
43 against the organization, nor shall its collection or settlement
44 in any way relieve the organization as such from its liabilities.
45 Provided, however, that the commissioner, for good cause shown in
46 writing, and satisfactory explanation of the delinquency or
47 violation, may recommend the compromise or cessation of the action
48 against the offending officer, agent or employee and the Attorney
49 General of the State of Mississippi shall be governed by the
50 recommendation of the commissioner.

51 (3) If any organization thus administratively dissolved or
52 for which a certificate of authority has been revoked shall
53 appear, either by its principal officer or officers, or its
54 attorney, within twelve (12) months from the date of such
55 administrative dissolution or revocation of certificate of
56 authority, and make satisfactory explanation of the cause of the
57 default; and pay all taxes due, together with all interest,
58 penalties and increases finally determined by the commissioner to
59 be due, then it shall be the duty of the commissioner to * * *
60 immediately notify the Secretary of State * * *.

61 (4) Upon the setting aside of such administrative
62 dissolution or revocation of certificate of authority, said



63 organization shall be restored to all rights of which it was
64 deprived by such administrative dissolution or revocation of
65 certificate of authority, and authorized to resume all activities
66 as though said administrative dissolution or revocation of
67 certificate of authority had not been imposed.

68 (5) If, however, the administrative dissolution or
69 revocation of certificate of authority has not been set aside
70 within a period of twelve (12) months from the date of the
71 original imposition thereof, all rights to have such
72 administrative dissolution or revocation of certificate of
73 authority set aside shall cease; and after the expiration of said
74 twelve-month period, said organization, insofar as being a going
75 concern, with rights to exercise powers originally granted are
76 concerned, shall be considered as nonexistent; and the disposition
77 of assets, and winding up of the affairs of the organization may
78 be accomplished in such manner as may be provided by law.

79 **SECTION 2.** This act shall take effect and be in force from
80 and after its passage.

