153rd GENERAL ASSEMBLY
FEE IMPACT
REVISED

BILL:	**HOUSE BILL NO. 400**
SPONSOR:	**Representative Harris**
DESCRIPTION:	**AN ACT TO AMEND TITLE 5, TITLE 6, TITLE 8, TITLE 12, AND TITLE 29 OF THE DELAWARE CODE RELATING TO FEES AND TAXES ADMINISTERED BY THE SECRETARY OF STATE.**

In accordance with 29 Del. C. § 913, the following information is provided relating to licenses and fees.

Description of the Legislation:
This Act alters various taxes and fees assessed by the Delaware Secretary of State.

Affected Entities:
Department of State, Division of Corporations (the “Division”)

Fiscal Impact:
This Act results in increases for several taxes and fees associated with services provided by the Division.

More specifically, the Act updates the current taxes and fees as follows:

Alternative Entity Annual Tax Summary:

Entity Type	Current Tax	Proposed Tax in House Bill 400
General Partnership (GP)	$300	$400
Limited Liability Company (LLC)	$300	$400
Limited Partnership (LP)	$300	$400
Registered Series of LLC/LP	$75	$100
Limited Liability Partnership (LLP)/ Limited Liability Limited Partnership (LLLP)* ****Fee capped at $180,000***	$200 per partner	$300 per partner

Miscellaneous Fees Summary:

	Current Fee	Proposed Fee in House Bill 400
Bank or Trust Company	$28.75	$300
Additional Certified Copy ***(requested by and supplied to the corporation)***	$5.75	$50
Delaware Workers Cooperative Act		
Filing Fee	$100	$200
Certified Copy, 1st page	$20	$50
Certified Copy, each additional page	$1	$2
Non-Certified Copy, 1st page	$5	$10
Non-Certified Copy, each additional page	$1	$2
Service of Process (all entities)	$50	$100
Preclearance (all entities)	$250	$350

Report Fees	Up to $100	Up to $200
Trademark/Service Mark		
Application	$25	$100
Registration Issued	$10	$50
Short Form Dissolutions	$10	$50
Foreign Corporation		
Annual Report Filing Fee	$125	$250
Annual Report Penalty	$125	$200
Validation Preclearance	$250	$1,500
Designation or appointment of resident agent ***(not otherwise specified by statute)***	-	$50

Expedited Options for Banks and Trademark/Services Marks Schedules Summary:

Expedited Period	Current Fee	Proposed Fee in House Bill 400
24 Hour	-	Up to $300

Expedited Fee Schedules for All Services Summary:

Expedited Period	Current Fee	Proposed Fee in House Bill 400
24 Hour	Up to $100	Up to $300
Same Day	Up to $200	Up to $500
2 Hour	Up to $500	Up to $1,500
1 Hour	Up to $1,000	Up to $2,500
30 Minute* ****includes Global and Emergency Filing Services***	Up to $7,500	Up to $10,000

The Department of State, Division of Corporations, estimates General Fund (GF) revenue for the alternative entity annual tax and miscellaneous fees as follows:

Fiscal Year 2027: $142,116,000
Fiscal Year 2028: $142,116,000
Fiscal Year 2029: $142,116,000

Revenue estimates for expedited services are unknown and not included in this fee impact statement. This Act creates an expedited service option for Banks and Trademark/Services Marks, which does not currently exist. While this Act increases the allowable amounts for current expedited services, the Division does not anticipate changes to these fees at this time. The changes will allow the Division to increase fees in the future to reflect the costs of the services provided and the needs of the market.

Intended Use of Revenue:
Revenue generated from alternative entity taxes and miscellaneous fees is deposited into the GF.

Revenue from expedited service fees is deposited into Appropriated Special Fund accounts at the Department of State and used to fund ongoing operations and technological needs for the Division of Corporations.

Prepared by Jason R. Smith
Office of the Controller General