

441.

(c) Within [90] 120 days following the date of death of a shareholder, or his disqualification as hereinbefore provided to own shares in the corporation, all of the shares of such shareholder shall be transferred to, and acquired by, the corporation or persons qualified to own the shares. If no other provision to accomplish this transfer and acquisition is in effect and carried out within this period, the corporation thereafter shall purchase and redeem all of [the decedent shareholder's] his shares of stock at book value, determined as of the end of the month immediately preceding death or disqualification. The book value shall be determined from the books and records of the corporation in accordance with the regular methods of accounting used by the corporation for the purposes of determining net taxable income for federal income tax purposes; and no subsequent adjustment of this income, whether by the corporation itself, by federal income tax audit made and agreed to, or by a court decision which has become final, shall alter the redemption price. Nothing contained in this section shall prevent the parties involved from making any other arrangement or provision in the corporate articles, bylaws, or by contract to transfer the shares of a deceased or disqualified shareholder to the corporation or to persons qualified to own the shares, whether made before or after the death or disqualification of the shareholder, provided that with the [90] 120-day period herein specified all the stock involved shall have been so transferred.

442.

A corporation organized and operating under this subtitle shall furnish a report to the State Department of Assessments and Taxation by March 31 of each year showing the names and post-office addresses of all its shareholders [directors and officers,] and shall certify that all these persons are duly licensed, certified, registered or otherwise legally authorized to render the appropriate professional or other personal service in this State. This report shall be made on forms prescribed and furnished by the Department, and shall not contain fiscal or other information other than that expressly required by this subsection (section). It shall be signed by the president or vice president and the secretary or an assistant secretary of the corporation, and acknowledged before a notary public by the persons signing the report. The report shall be filed with the State Department of Assessments and Taxation, and shall be in lieu of any regular annual report of corporations otherwise required by this Article. The filing of such reports shall be governed by Section 252 of Article 81, as amended from time to time.

SEC. 2. *And be it further enacted*, That this Act shall take effect July 1, 1970, and shall apply to any professional corporation whether organized before or after July 1, 1970.

Approved April 22, 1970

CHAPTER 295

(Senate Bill 585)

AN ACT to add new Section 102A to Article 78 of the Annotated Code of Maryland (1969 Replacement Volume), title "Public