

ORGANIZED OR IS EXISTING, IF KNOWN TO THE DEPARTMENT.

(D) EFFECT OF FORFEITURE.

ON FORFEITURE OF ITS RIGHT TO DO INTRASTATE BUSINESS IN THIS STATE, THE FOREIGN CORPORATION IS SUBJECT TO THE SAME RULES, LEGAL PROVISIONS, AND SANCTIONS AS IF IT HAD NEVER QUALIFIED OR BEEN LICENSED TO DO BUSINESS IN THIS STATE.

REVISOR'S NOTE: This section is new language derived without substantive change from Art. 81, §253.

Although the majority of law dealing with required reports will appear in the Revenue and Taxation Article, this section is peculiarly related to the provision governing qualification to do intrastate business in the State.

The Commission notes that unlike its counterpart for Maryland corporations, now contained in §3-503 of this article, no provision is made for a forfeiture in the event of nonpayment of taxes. Also, there are no comparable provisions relating to the forfeiture of registration to do interstate or foreign business on failure to file required reports.

7-305. FAILURE TO COMPLY WITH SUBTITLE 2 DOES NOT AFFECT CONTRACTS.

THE FAILURE OF ANY FOREIGN CORPORATION TO COMPLY WITH ANY OF THE REQUIREMENTS OF SUBTITLE 2 OF THIS TITLE DOES NOT AFFECT THE VALIDITY OF ANY CONTRACT TO WHICH THE CORPORATION IS A PARTY.

REVISOR'S NOTE: This section presently appears as Art. 23, §91(a).

The only changes are in style.

GENERAL REVISOR'S NOTE:

The term "foreign corporation," as used throughout this title, is defined in §1-101 of this article.

Although general revision style is to refer to Maryland as "the State," in this title, to avoid unnecessary ambiguity, the term "this State" is retained. Similarly, for emphasis, the phrase "in this State" has been retained