

FAQs for Business Corporations receiving Notice of Grounds

North Carolina Department of the Secretary of State
Corporations Division
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Notice of Grounds

Why did I get a Notice?

You are missing at least one annual report.

Annual reports are due on the 15th day of the fourth month following the fiscal year end. For example, if your fiscal year ends in December, your annual report is due April 15.

What is an annual report?

It's a report that all business corporations doing business in North Carolina must file each year directly with the North Carolina Secretary of State. It can be filed online at www.sosnc.gov and paid by credit card. The fee is \$20.

Why do I have to file the annual report?

It's required by North Carolina law. The report provides information about your company that citizens doing business with your company have the right know, such as:

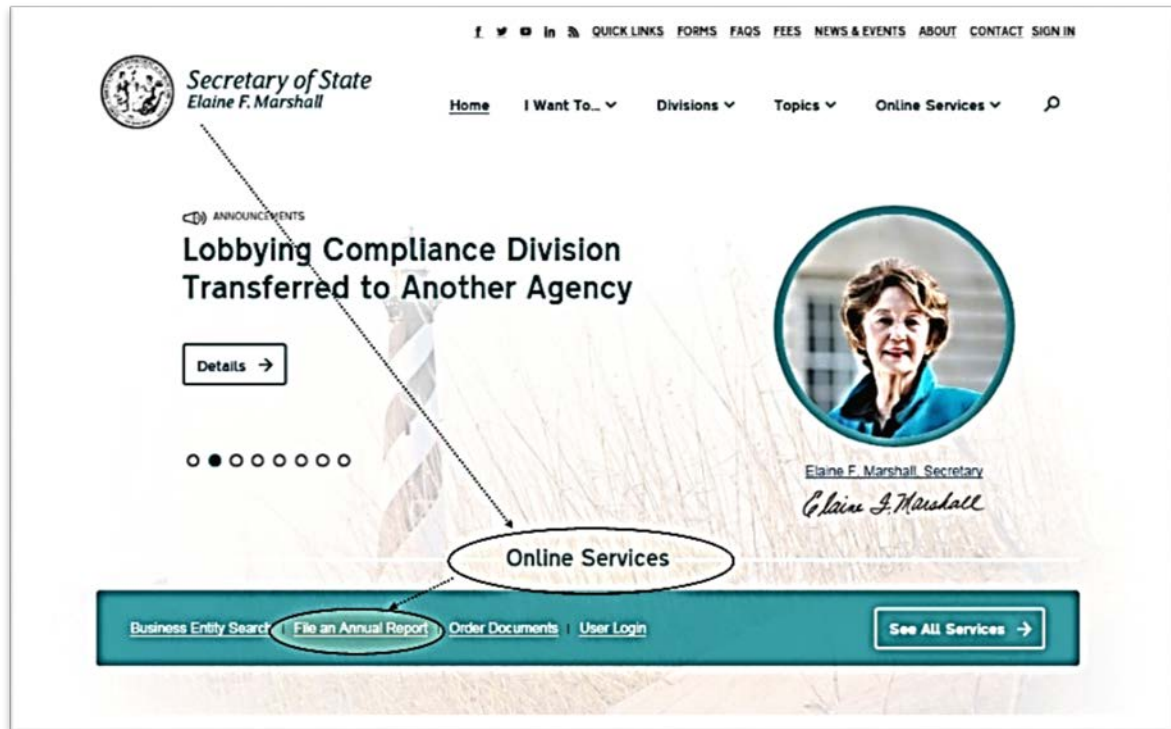
- the name and address of your Registered Agent
- where the company's headquarters are located
- a telephone number to reach you
- the names and addresses of the company officials

I always send my annual report to the North Carolina Department of Revenue with my tax return. Can I still do that?

No. North Carolina state law changed this year to streamline the business corporation annual report filing process. The new law requires **ALL** corporate annual reports, beginning with tax year 2017, be filed directly with the Secretary of State's Office.

How do I file the missing annual report?

Go to www.sosnc.gov. Under Online Services click File An Annual Report.



Under Begin Online Annual Report Process, click Get Started.

The screenshot shows the Secretary of State website's Annual Report page. At the top, there is a navigation bar with the Secretary of State logo and name (Eliot F. Marshall), and links for Home, I Want To..., Divisions, and Topics. Below the navigation bar is a large banner image with a hand pointing at a screen. A teal box on the left of the banner contains the text: "Annual Report. Each Business Corporation, Limited Liability Company, Limited Liability Partnership and Limited Liability Limited Partnership is required to file an annual report with the Secretary of State." To the right of this box, the words "Annual Report" are written in a large, stylized font. Below the banner, there is a line of text: "If you have any questions about annual reports there are [Frequently Asked Questions \(FAQs\)](#) and [YouTube Videos](#) on how to file online." Below this text are three columns of content. The first column is titled "Annual Report Due Dates" and contains the text: "Each Business Entity has its own due dates for filing the annual report. Click 'Get Started' for the due dates for each type of entity." Below this text is a button labeled "Get Started →". The second column is titled "Begin Online Annual Report Process" and contains the text: "Click 'Get Started' to search for the entity name." Below this text is a button labeled "Get Started →". The third column is titled "Mail Annual Report" and contains the text: "You may need to mail the annual report if you are changing the Registered Agent Name. Click 'Get Started' to find out how to file the annual report by mail or over the counter." Below this text is a button labeled "Get Started →". A dashed arrow points from the "Get Started" button in the second column to the "Get Started" button in the first column.

Secretary of State
Eliot F. Marshall

Home I Want To... Divisions Topics

Annual Report

Each Business Corporation, Limited Liability Company, Limited Liability Partnership and Limited Liability Limited Partnership is required to file an annual report with the Secretary of State.

Annual Report

If you have any questions about annual reports there are [Frequently Asked Questions \(FAQs\)](#) and [YouTube Videos](#) on how to file online.

Annual Report Due Dates

Each Business Entity has its own due dates for filing the annual report. Click "Get Started" for the due dates for each type of entity.

Begin Online Annual Report Process

Click "Get Started" to search for the entity name.

Mail Annual Report

You may need to mail the annual report if you are changing the Registered Agent Name. Click "Get Started" to find out how to file the annual report by mail or over the counter.

Get Started →

Get Started →

Get Started →

Find your company using the Search By Name feature.

The screenshot shows the website for the Secretary of State, Elaine F. Marshall. At the top right, there are social media icons and a navigation menu with links for QUICK LINKS, FORMS, FAQs, FEES, NEWS & EVENTS, ABOUT, CONTACT, and SIGN IN. Below the logo, there is a secondary navigation menu with Home, I Want To..., Divisions, Topics, and Online Services. A breadcrumb trail indicates the current location: Secretary of State > Business Registration > Search.

Search

Search By:
Company

Words
Starting With

Search For:
Test, Inc.

Search →

Business Registration






- [Basics of Launching a NC Business](#)
- [Forms/Fees](#)
- [File an Annual Report](#)
- [Frequently Asked Questions](#)
- [Online Business Services](#)
- [Alerts!](#)
- [Order Certified Documents](#)

Once you find your company, click the computer monitor image to the far right under Actions.



When you hover over the image, it will say File an Annual Report/Amend an Annual Report. Click the image and online filing will begin.

The screenshot shows the Secretary of State website interface. At the top, there is a navigation bar with the logo and name of the Secretary of State, Elaine F. Marshall, and several menu items: Home, I Want To..., Divisions, Topics, and Online Services. The main heading is "Search Results". Below this, it indicates "Records Found: 90 Search Type: Starting Search Criteria: Test, Inc. Search Time: 8/9/2018 12:17 PM Search Again".

Entity Name			Actions
Sos Id	Date Formed	Status	Type
Test, Inc.			    
PREV LEGAL NAME(S) Test Supply Co.			
1491553	8/6/2016	Current - Active	Business Corporation

On the right side of the page, there is a sidebar titled "Business Registration" with several links: Basics of Launching a NC Business, Forms/Fees, File an Annual Report, Frequently Asked Questions, Online Business Services, and Order Certified Documents. A red arrow points from the computer monitor icon in the table to the "File an Annual Report/Amend an Annual Report" link in the sidebar.

How do I know which annual report is missing?

After you click [File Report An Annual Report](#), your annual report filing history will appear. These are all the annual reports you have submitted to date.

Count the number of annual reports. You should have one report for each year beginning the year AFTER the company was created. For example,

Test, Co. incorporated in 2015. Its fiscal year ends in December. To be current, it should have 3 Annual Reports on file:

1. Year 2016 – for fye 12/31/2015 – Due 4/15/16
2. Year 2017 – for fye 12/31/2016 – Due 4/15/17
3. Year 2018 – for fye 12/31/2017 – Due 4/15/18

What happens if I don't respond to the Notice?

A company that fails to file an annual report will be administratively dissolved or revoked.

To reinstate, an administratively dissolved company must file ALL overdue annual reports as well as an Application for Reinstatement, which carries a \$100 fee.

A revoked company must re-qualify on our records by filing an Application for Certificate of Authority AND one annual report. The total amount due is \$275. \$250 for the application fee, and \$25 for the annual report fee.

Please take action NOW. It is easier to file a delinquent report than to reinstate a corporation after it has been administratively dissolved or revoked.

My company closed a long time ago. Can I ignore this Notice?

No. If you received a Notice it means your company is still active on our records. You don't have to file an annual report, but you do need to close it with the Secretary of State.

Articles of Dissolution is the form that officially closes the company on the Secretary of State's records.

If your company is a foreign entity, (that is, formed in a state outside of North Carolina), you must file an Application for Certificate of Withdrawal to withdraw from our records.

My corporation didn't make any money last year. Do I still have to file the report?

Yes. The annual report is NOT a financial statement. It is a separate report that ALL business corporations are required to file. Filing a tax return with the North Carolina Department of Revenue does not satisfy this requirement. The annual report is **due regardless of the activity level or profit level of the corporation.**

My corporation isn't active now, but I may use it in the future.
Can I keep the name and move it to inactive status on your records?

No. If you want to maintain the corporation and the rights to the name, you must file the Annual Report and pay the fee. There is no "inactive" status on the Secretary of State's records.

How long do I have to respond to the Notice?

You have 60 consecutive days from the date on the Notice. For example, if the Notice is dated April 30th it will expire on June 30th. You have until June 30th to file the missing report.

NOTICE OF GROUNDS FOR ADMINISTRATIVE DISSOLUTION

The company identified on the reverse is delinquent in filing at least one annual report and is not in compliance with the North Carolina Business Corporation Act. The Secretary of State is authorized by N.C.G.S. 55-14-21 to administratively dissolve a business entity if grounds for dissolution exist. Failure to file an annual report is grounds for administrative dissolution. This Notice is the first step of the dissolution process. In order to prevent administrative dissolution, you must file the missing annual report(s), or show to the Secretary of State within sixty (60) days from the date of this Notice that the grounds do not exist.

North Carolina Department of the Secretary of State
Business Registration Division
April 30, 2017



For more information, call Customer Service at 919-814-5350
or email notice@sosnc.gov.