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1  
2 An act relating to limited liability companies;  
3 amending s. 605.0103, F.S.; specifying that persons  
4 who are not members of a limited liability company are  
5 not deemed to have notice of a provision of the  
6 company's articles of organization which limits a  
7 person's authority to transfer real property held in  
8 the company's name unless such limitation appears in  
9 an affidavit, certificate, or other instrument that is  
10 recorded in a specified manner; amending s. 605.0105,  
11 F.S.; removing the prohibition that an operating  
12 agreement may not vary the power of a person to  
13 dissociate; clarifying that an operating agreement is  
14 prohibited from providing indemnification for a member  
15 or manager in certain circumstances; authorizing an  
16 operating agreement to alter or eliminate any other  
17 fiduciary duty; amending s. 605.0111, F.S.; providing  
18 that the duties of the member, manager, or other  
19 person may be restricted, expanded, or eliminated in  
20 certain circumstances; amending s. 605.04073, F.S.;  
21 requiring certain conditions for members of a limited  
22 liability company, without a meeting, to take certain  
23 actions requiring the vote or consent of the members;  
24 amending s. 605.04091, F.S.; providing that the duty  
25 of loyalty of members and managers includes, but is  
26 not limited to, specified actions; revising the duty



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27 | of care in the conduct or winding up of the company's  
28 | activities and affairs; amending s. 605.0410, F.S.;  
29 | requiring a limited liability company to provide a  
30 | record of certain information within a specified  
31 | period to a member who makes a demand; amending s.  
32 | 605.0602, F.S.; revising the conditions under which a  
33 | member may be expelled for a material breach of the  
34 | company's operating agreement or the standards of  
35 | conduct for members; amending s. 605.0715, F.S.;  
36 | revising which materials and information a specified  
37 | limited liability company must submit to the  
38 | Department of State as part of an application for  
39 | reinstatement after administrative dissolution;  
40 | amending s. 605.0909, F.S.; revising which materials  
41 | and information a specified limited liability company  
42 | must submit to the Department of State as part of an  
43 | application for reinstatement after revocation of  
44 | certificate of authority; amending s. 605.1072, F.S.;  
45 | deleting a provision providing an exception to the  
46 | limitation of remedies for appraisal events under  
47 | specified circumstances; amending s. 605.1108, F.S.;  
48 | deleting a provision requiring that, for a limited  
49 | liability company formed before a specified date,  
50 | certain language in the company's articles of  
51 | organization operates as if it were in the operating  
52 | agreement; repealing chapter 608, F.S., relating to



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53 | the Florida Limited Liability Company Act; amending  
 54 | ss. 15.16, 48.062, 213.758, 220.02, 220.03, 220.13,  
 55 | 310.181, 440.02, 605.0401, 605.04074, 605.04091,  
 56 | 606.06, 607.1108, 607.1109, 607.11101, 621.12,  
 57 | 636.204, 655.0201, 658.2953, 694.16, and 1002.395,  
 58 | F.S.; conforming provisions to the repeal of the  
 59 | Florida Limited Liability Company Act; providing  
 60 | retroactive applicability; amending ss. 605.0102,  
 61 | 605.0712, 605.0717, and 605.0805, F.S.; revising a  
 62 | definition; conforming cross-references; providing  
 63 | effective dates.

64 |

65 | Be It Enacted by the Legislature of the State of Florida:

66 |

67 | Section 1. Paragraph (b) of subsection (4) of section  
 68 | 605.0103, Florida Statutes, is amended to read:

69 | 605.0103 Knowledge; notice.—

70 | (4) A person who is not a member is deemed to:

71 | (b) Have notice of a limited liability company's:

72 | 1. Dissolution, 90 days after the articles of dissolution  
 73 | filed under s. 605.0707 become effective;

74 | 2. Termination, 90 days after a statement of termination  
 75 | filed under s. 605.0709(7) becomes effective;

76 | 3. Participation in a merger, interest exchange,  
 77 | conversion, or domestication, 90 days after the articles of  
 78 | merger, articles of interest exchange, articles of conversion,



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79 or articles of domestication under s. 605.1025, s. 605.1035, s.  
80 605.1045, or s. 605.1055, respectively, become effective;

81 4. Declaration in its articles of organization that it is  
82 manager-managed in accordance with s. 605.0201(3)(a); however,  
83 if such a declaration has been added or changed by an amendment  
84 or amendment and restatement of the articles of organization,  
85 notice of the addition or change may not become effective until  
86 90 days after the effective date of such amendment or amendment  
87 and restatement; and

88 5. Grant of authority to or limitation imposed on the  
89 authority of a person holding a position or having a specified  
90 status in a company, or grant of authority to or limitation  
91 imposed on the authority of a specific person, if the grant of  
92 authority or limitation imposed on the authority is described in  
93 the articles of organization in accordance with s.  
94 605.0201(3)(d); however, if that description has been added or  
95 changed by an amendment or an amendment and restatement of the  
96 articles of organization, notice of the addition or change may  
97 not become effective until 90 days after the effective date of  
98 such amendment or amendment and restatement. A provision of the  
99 articles of organization that limits the authority of a person  
100 to transfer real property held in the name of the limited  
101 liability company is not notice of such limitation to a person  
102 who is not a member or manager of the company, unless such  
103 limitation appears in an affidavit, certificate, or other  
104 instrument that bears the name of the limited liability company



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105 and is recorded in the office for recording transfers of such  
106 real property.

107 Section 2. Paragraphs (i) and (q) of subsection (3) and  
108 paragraph (c) of subsection (4) of section 605.0105, Florida  
109 Statutes, are amended to read:

110 605.0105 Operating agreement; scope, function, and  
111 limitations.—

112 (3) An operating agreement may not do any of the  
113 following:

114 ~~(i) Vary the power of a person to dissociate under s.~~  
115 ~~605.0601, except to require that the notice under s. 605.0602(1)~~  
116 ~~be in a record.~~

117 (p) ~~(q)~~ Provide for indemnification for a member or manager  
118 under s. 605.0408 for any of the following:

119 1. Conduct involving bad faith, willful or intentional  
120 misconduct, or a knowing violation of law.

121 2. A transaction from which the member or manager derived  
122 an improper personal benefit.

123 3. A circumstance under which the liability provisions of  
124 s. 605.0406 are applicable.

125 4. A breach of duties or obligations under s. 605.04091,  
126 taking into account a restriction, an expansion, or an  
127 elimination ~~variation~~ of such duties and obligations provided  
128 for in the operating agreement to the extent allowed by  
129 subsection (4).



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130 (4) Subject to paragraph (3)(g), without limiting other  
 131 terms that may be included in an operating agreement, the  
 132 following rules apply:

133 (c) If not manifestly unreasonable, the operating  
 134 agreement may:

135 1. Alter or eliminate the aspects of the duty of loyalty  
 136 under s. 605.04091(2);

137 2. Identify specific types or categories of activities  
 138 that do not violate the duty of loyalty; ~~and~~

139 3. Alter the duty of care, but may not authorize willful  
 140 or intentional misconduct or a knowing violation of law; and

141 4. Alter or eliminate any other fiduciary duty.

142 Section 3. Section 605.0111, Florida Statutes, is amended  
 143 to read:

144 605.0111 Rules of construction and supplemental principles  
 145 of law.—

146 (1) It is the intent of this chapter to give the maximum  
 147 effect to the principle of freedom of contract and to the  
 148 enforceability of operating agreements, including the purposes  
 149 of ss. 605.0105-605.0107.

150 (2) To the extent that, at law or in equity, a member,  
 151 manager, or other person has duties, including fiduciary duties,  
 152 to a limited liability company or to another member or manager  
 153 or to another person that is a party to or is otherwise bound by  
 154 an operating agreement, the duties of the member, manager, or  
 155 other person may be restricted, expanded, or eliminated,



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156 | including in the determination of applicable duties and  
157 | obligations under this chapter, by the operating agreement, to  
158 | the extent allowed by s. 605.0105.

159 |       (3) Unless displaced by particular provisions of this  
160 | chapter, the principles of law and equity, including the common  
161 | law principles relating to the fiduciary duties of loyalty and  
162 | care, supplement this chapter.

163 |       Section 4. Subsection (4) of section 605.04073, Florida  
164 | Statutes, is amended to read:

165 |       605.04073 Voting rights of members and managers.—

166 |       (4) An action requiring the vote or consent of members  
167 | under this chapter may be taken without a meeting if the action  
168 | is approved in a record by members with at least the minimum  
169 | number of votes that would be necessary to authorize or take the  
170 | action at a meeting of the members.~~and~~ A member may appoint a  
171 | proxy or other agent to vote or consent for the member by  
172 | signing an appointing record, personally or by the member's  
173 | agent. On an action taken by fewer than all of the members  
174 | without a meeting, notice of the action must be given to those  
175 | members who did not consent in writing to the action or who were  
176 | not entitled to vote on the action within 10 days after the  
177 | action was taken.

178 |       Section 5. Subsections (2) and (3) of section 605.04091,  
179 | Florida Statutes, are amended to read:

180 |       605.04091 Standards of conduct for members and managers.—

181 |       (2) The duty of loyalty includes ~~is limited to~~:



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182 (a) Accounting to the limited liability company and  
183 holding as trustee for it any property, profit, or benefit  
184 derived by the manager or member, as applicable:

185 1. In the conduct or winding up of the company's  
186 activities and affairs;

187 2. From the use by the member or manager of the company's  
188 property; or

189 3. From the appropriation of a company opportunity;

190 (b) Refraining from dealing with the company in the  
191 conduct or winding up of the company's activities and affairs  
192 as, or on behalf of, a person having an interest adverse to the  
193 company, except to the extent that a transaction satisfies the  
194 requirements of this section; and

195 (c) Refraining from competing with the company in the  
196 conduct of the company's activities and affairs before the  
197 dissolution of the company.

198 (3) The duty of care in the conduct or winding up of the  
199 company's activities and affairs is ~~limited~~ to refrain  
200 ~~refraining~~ from engaging in grossly negligent or reckless  
201 conduct, willful or intentional misconduct, or a knowing  
202 violation of law.

203 Section 6. Subsection (2), paragraph (a) of subsection  
204 (3), and subsection (4) of section 605.0410, Florida Statutes,  
205 are amended to read:

206 605.0410 Records to be kept; rights of member, manager,  
207 and person dissociated to information.—





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208 (2) In a member-managed limited liability company, the  
209 following rules apply:

210 (a) Upon reasonable notice, a member may inspect and copy  
211 during regular business hours, at a reasonable location  
212 specified by the company:

- 213 1. The records described in subsection (1); and
- 214 2. Each other record maintained by the company regarding  
215 the company's activities, affairs, financial condition, and  
216 other circumstances, to the extent the information is material  
217 to the member's rights and duties under the operating agreement  
218 or this chapter.

219 (b) The company shall furnish to each member:

- 220 1. Without demand, any information concerning the  
221 company's activities, affairs, financial condition, and other  
222 circumstances that the company knows and is material to the  
223 proper exercise of the member's rights and duties under the  
224 operating agreement or this chapter, except to the extent the  
225 company can establish that it reasonably believes the member  
226 already knows the information; and

- 227 2. On demand, other information concerning the company's  
228 activities, affairs, financial condition, and other  
229 circumstances, except to the extent the demand or information  
230 demanded is unreasonable or otherwise improper under the  
231 circumstances.

232 (c) Within 10 days after receiving a demand pursuant to  
233 subparagraph (b)2., the company shall provide to the member who



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234 made the demand a record of:

235 1. The information that the company will provide in  
236 response to the demand and when and where the company will  
237 provide such information.

238 2. For any demanded information that the company is not  
239 providing, the reasons that the company will not provide the  
240 information.

241 (d)~~(e)~~ The duty to furnish information under this  
242 subsection also applies to each member to the extent the member  
243 knows any of the information described in this subsection.

244 (3) In a manager-managed limited liability company, the  
245 following rules apply:

246 (a) The informational rights stated in subsection (2) and  
247 the duty stated in paragraph (2)(d) ~~(2)(e)~~ apply to the managers  
248 and not to the members.

249 (4) Subject to subsection (10) ~~(9)~~, on 10 days' demand  
250 made in a record received by a limited liability company, a  
251 person dissociated as a member may have access to information to  
252 which the person was entitled while a member if:

253 (a) The information pertains to the period during which  
254 the person was a member;

255 (b) The person seeks the information in good faith; and

256 (c) The person satisfies the requirements imposed on a  
257 member by paragraph (3)(b).

258 Section 7. Section 605.0715, Florida Statutes, is amended  
259 to read:



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260           605.0715 Reinstatement.—

261           (1) A limited liability company that is administratively

262 dissolved under s. 605.0714 or former s. 608.4481 may apply to

263 the department for reinstatement at any time after the effective

264 date of dissolution. The company must submit ~~a form of~~

265 ~~application for reinstatement prescribed and furnished by the~~

266 ~~department and provide all of the information required by the~~

267 ~~department, together with~~ all fees and penalties then owed by

268 the company at the rates provided by law at the time the company

269 applies for reinstatement together with an application for

270 reinstatement prescribed and furnished by the department, which

271 is signed by both the registered agent and an authorized

272 representative of the company and states:

273           (a) The name of the limited liability company.

274           (b) The street address of the company's principal office

275 and mailing address.

276           (c) The date of the company's organization.

277           (d) The company's federal employer identification number

278 or, if none, whether one has been applied for.

279           (e) The name, title or capacity, and address of at least

280 one person who has authority to manage the company.

281           (f) Additional information that is necessary or

282 appropriate to enable the department to carry out this chapter.

283           (2) In lieu of the requirement to file an application for

284 reinstatement as described in subsection (1), an

285 administratively dissolved limited liability company may submit



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286 all fees and penalties owed by the company at the rates provided  
287 by law at the time the company applies for reinstatement,  
288 together with a current annual report, signed by both the  
289 registered agent and an authorized representative of the  
290 company, which contains the information described in subsection  
291 (1).

292 (3)~~(2)~~ If the department determines that an application  
293 for reinstatement contains the information required under  
294 subsection (1) or subsection (2) and that the information is  
295 correct, upon payment of all required fees and penalties, the  
296 department shall reinstate the limited liability company.

297 (4)~~(3)~~ When reinstatement under this section becomes  
298 effective:

299 (a) The reinstatement relates back to and takes effect as  
300 of the effective date of the administrative dissolution.

301 (b) The limited liability company may resume its  
302 activities and affairs as if the administrative dissolution had  
303 not occurred.

304 (c) The rights of a person arising out of an act or  
305 omission in reliance on the dissolution before the person knew  
306 or had notice of the reinstatement are not affected.

307 (5)~~(4)~~ The name of the dissolved limited liability company  
308 is not available for assumption or use by another business  
309 entity until 1 year after the effective date of dissolution  
310 unless the dissolved limited liability company provides the  
311 department with a record executed as required pursuant to s.



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312 605.0203 permitting the immediate assumption or use of the name  
313 by another limited liability company.

314 Section 8. Section 605.0909, Florida Statutes, is amended  
315 to read:

316 605.0909 Reinstatement following revocation of certificate  
317 of authority.—

318 (1) A foreign limited liability company whose certificate  
319 of authority has been revoked may apply to the department for  
320 reinstatement at any time after the effective date of the  
321 revocation. The foreign limited liability company applying for  
322 reinstatement must submit ~~provide information in a form~~  
323 ~~prescribed and furnished by the department and pay~~ all fees and  
324 penalties then owed by the foreign limited liability company at  
325 rates provided by law at the time the foreign limited liability  
326 company applies for reinstatement together with an application  
327 for reinstatement prescribed and furnished by the department,  
328 which is signed by both the registered agent and an authorized  
329 representative of the company and states:

330 (a) The name under which the foreign limited liability  
331 company is registered to transact business in this state.

332 (b) The street address of the company's principal office  
333 and its mailing address.

334 (c) The jurisdiction of the company's formation and the  
335 date on which it became qualified to transact business in this  
336 state.

337 (d) The company's federal employer identification number



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338 or, if none, whether one has been applied for.

339 (e) The name, title or capacity, and address of at least  
340 one person who has authority to manage the company.

341 (f) Additional information that is necessary or  
342 appropriate to enable the department to carry out this chapter.

343 (2) In lieu of the requirement to file an application for  
344 reinstatement as described in subsection (1), a foreign limited  
345 liability company whose certificate of authority has been  
346 revoked may submit all fees and penalties owed by the company at  
347 the rates provided by law at the time the company applies for  
348 reinstatement, together with a current annual report, signed by  
349 both the registered agent and an authorized representative of  
350 the company, which contains the information described in  
351 subsection (1).

352 (3)-(2) If the department determines that an application  
353 for reinstatement contains the information required under  
354 subsection (1) or subsection (2) and that the information is  
355 correct, upon payment of all required fees and penalties, the  
356 department shall reinstate the foreign limited liability  
357 company's certificate of authority.

358 (4)-(3) When a reinstatement becomes effective, it relates  
359 back to and takes effect as of the effective date of the  
360 revocation of authority and the foreign limited liability  
361 company may resume its activities in this state as if the  
362 revocation of authority had not occurred.

363 (5)-(4) The name of the foreign limited liability company



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364 whose certificate of authority has been revoked is not available  
365 for assumption or use by another business entity until 1 year  
366 after the effective date of revocation of authority unless the  
367 limited liability company provides the department with a record  
368 executed pursuant to s. 605.0203 which authorizes the immediate  
369 assumption or use of its name by another limited liability  
370 company.

371 (6)~~(5)~~ If the name of the foreign limited liability  
372 company applying for reinstatement has been lawfully assumed in  
373 this state by another business entity, the department shall  
374 require the foreign limited liability company to comply with s.  
375 605.0906 before accepting its application for reinstatement.

376 Section 9. Subsection (2) of section 605.1072, Florida  
377 Statutes, is amended to read:

378 605.1072 Other remedies limited.—

379 (2) Subsection (1) does not apply to an appraisal event  
380 that:

381 (a) Was not authorized and approved in accordance with the  
382 applicable provisions of this chapter, the organic rules of the  
383 limited liability company, or the resolutions of the members  
384 authorizing the appraisal event; or

385 (b) Was procured as a result of fraud, a material  
386 misrepresentation, or an omission of a material fact that is  
387 necessary to make statements made, in light of the circumstances  
388 in which they were made, not misleading; ~~or~~

389 ~~(c) Is an interested transaction, unless it has been~~



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390 ~~approved in the same manner as is provided in s. 605.04092 or is~~  
 391 ~~fair to the limited liability company as defined in s.~~  
 392 ~~605.04092(1)(c).~~

393 Section 10. Subsection (3) of section 605.1108, Florida  
 394 Statutes, is amended to read:

395 605.1108 Application to limited liability company formed  
 396 under the Florida Limited Liability Company Act.—

397 (3) For the purpose of applying this chapter to a limited  
 398 liability company formed before January 1, 2014, under the  
 399 Florida Limited Liability Company Act, former ss. 608.401-  
 400 608.705, ÷

401 ~~(a)~~ the company's articles of organization are deemed to  
 402 be the company's articles of organization under this chapter ~~+~~  
 403 and

404 ~~(b) For the purpose of applying s. 605.0102(39), the~~  
 405 ~~language in the company's articles of organization designating~~  
 406 ~~the company's management structure operates as if that language~~  
 407 ~~were in the operating agreement.~~

408 Section 11. Effective upon this act becoming a law,  
 409 chapter 608, Florida Statutes, consisting of sections 608.401,  
 410 608.402, 608.403, 608.404, 608.405, 608.406, 608.407, 608.408,  
 411 608.4081, 608.4082, 608.409, 608.4101, 608.411, 608.4115,  
 412 608.415, 608.416, 608.4211, 608.422, 608.4225, 608.4226,  
 413 608.4227, 608.4228, 608.4229, 608.423, 608.4231, 608.4232,  
 414 608.4235, 608.4236, 608.4237, 608.4238, 608.425, 608.426,  
 415 608.4261, 608.427, 608.428, 608.431, 608.432, 608.433, 608.434,





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416 608.4351, 608.4352, 608.4353, 608.4354, 608.4355, 608.4356,  
 417 608.4357, 608.43575, 608.4358, 608.43585, 608.4359, 608.43595,  
 418 608.438, 608.4381, 608.4382, 608.4383, 608.439, 608.4401,  
 419 608.4402, 608.4403, 608.4404, 608.441, 608.4411, 608.4421,  
 420 608.4431, 608.444, 608.445, 608.446, 608.447, 608.448, 608.4481,  
 421 608.4482, 608.4483, 608.449, 608.4491, 608.4492, 608.4493,  
 422 608.4511, 608.452, 608.455, 608.461, 608.462, 608.463, 608.471,  
 423 608.501, 608.502, 608.503, 608.504, 608.505, 608.506, 608.507,  
 424 608.508, 608.509, 608.5101, 608.511, 608.512, 608.513, 608.5135,  
 425 608.514, 608.601, 608.701, 608.702, 608.703, 608.704, and  
 426 608.705, is repealed.

427 Section 12. Effective upon this act becoming a law and  
 428 operating retroactively to January 1, 2015, subsection (3) of  
 429 section 15.16, Florida Statutes, is amended to read:

430 15.16 Reproduction of records; admissibility in evidence;  
 431 electronic receipt and transmission of records; certification;  
 432 acknowledgment.—

433 (3) The Department of State may cause to be received  
 434 electronically any records that are required to be filed with it  
 435 pursuant to chapter 55, chapter 117, chapter 118, chapter 495,  
 436 chapter 605, chapter 606, chapter 607, ~~chapter 608,~~ chapter 610,  
 437 chapter 617, chapter 620, chapter 621, chapter 679, chapter 713,  
 438 or chapter 865, through facsimile or other electronic transfers,  
 439 for the purpose of filing such records. The originals of all  
 440 such electronically transmitted records must be executed in the  
 441 manner provided in paragraph (5) (b). The receipt of such



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442 | electronic transfer constitutes delivery to the department as  
443 | required by law. The department may use electronic transmissions  
444 | for purposes of notice in the administration of chapters 55,  
445 | 117, 118, 495, 605, 606, 607, ~~608~~, 610, 617, 620, 621, 679, and  
446 | 713 and s. 865.09. The Department of State may collect e-mail  
447 | addresses for purposes of notice and communication in the  
448 | performance of its duties and may require filers and registrants  
449 | to furnish such e-mail addresses when presenting documents for  
450 | filing.

451 |       Section 13. Effective upon this act becoming a law and  
452 | operating retroactively to January 1, 2015, subsections (1) and  
453 | (2) of section 48.062, Florida Statutes, are amended to read:

454 |       48.062 Service on a limited liability company.—

455 |       (1) Process against a limited liability company, domestic  
456 | or foreign, may be served on the registered agent designated by  
457 | the limited liability company under chapter 605 ~~or chapter 608~~.  
458 | A person attempting to serve process pursuant to this subsection  
459 | may serve the process on any employee of the registered agent  
460 | during the first attempt at service even if the registered agent  
461 | is a natural person and is temporarily absent from his or her  
462 | office.

463 |       (2) If service cannot be made on a registered agent of the  
464 | limited liability company because of failure to comply with  
465 | chapter 605 ~~or chapter 608~~ or because the limited liability  
466 | company does not have a registered agent, or if its registered  
467 | agent cannot with reasonable diligence be served, process



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468 | against the limited liability company, domestic or foreign, may  
 469 | be served:

470 |       (a) On a member of a member-managed limited liability  
 471 | company;

472 |       (b) On a manager of a manager-managed limited liability  
 473 | company; or

474 |       (c) If a member or manager is not available during regular  
 475 | business hours to accept service on behalf of the limited  
 476 | liability company, he, she, or it may designate an employee of  
 477 | the limited liability company to accept such service. After one  
 478 | attempt to serve a member, manager, or designated employee has  
 479 | been made, process may be served on the person in charge of the  
 480 | limited liability company during regular business hours.

481 |       Section 14. Effective upon this act becoming a law and  
 482 | operating retroactively to January 1, 2015, paragraph (c) of  
 483 | subsection (1) of section 213.758, Florida Statutes, is amended  
 484 | to read:

485 |             213.758 Transfer of tax liabilities.—

486 |             (1) As used in this section, the term:

487 |             (c) "Insider" means:

488 |             1. Any person included within the meaning of insider as  
 489 | used in s. 726.102; or

490 |             2. A manager of, ~~a managing member of,~~ or a person who  
 491 | controls a transferor that is, a limited liability company~~7~~ or a  
 492 | relative as defined in s. 726.102 of any such persons.

493 |       Section 15. Effective upon this act becoming a law and



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494 operating retroactively to January 1, 2015, subsection (1) of  
495 section 220.02, Florida Statutes, is amended to read:

496 220.02 Legislative intent.—

497 (1) It is the intent of the Legislature in enacting this  
498 code to impose a tax upon all corporations, organizations,  
499 associations, and other artificial entities which derive from  
500 this state or from any other jurisdiction permanent and inherent  
501 attributes not inherent in or available to natural persons, such  
502 as perpetual life, transferable ownership represented by shares  
503 or certificates, and limited liability for all owners. It is  
504 intended that any limited liability company that is classified  
505 as a partnership for federal income tax purposes and is defined  
506 in and organized pursuant to ~~formed under~~ chapter 605 ~~608~~ or  
507 qualified to do business in this state as a foreign limited  
508 liability company not be subject to the tax imposed by this  
509 code. It is the intent of the Legislature to subject such  
510 corporations and other entities to taxation hereunder for the  
511 privilege of conducting business, deriving income, or existing  
512 within this state. This code is not intended to tax, and shall  
513 not be construed so as to tax, any natural person who engages in  
514 a trade, business, or profession in this state under his or her  
515 own or any fictitious name, whether individually as a  
516 proprietorship or in partnership with others, or as a member or  
517 a manager of a limited liability company classified as a  
518 partnership for federal income tax purposes; any estate of a  
519 decedent or incompetent; or any testamentary trust. However, a



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520 corporation or other taxable entity which is or which becomes  
521 partners with one or more natural persons shall not, merely by  
522 reason of being a partner, exclude from its net income subject  
523 to tax its respective share of partnership net income. This  
524 statement of intent shall be given preeminent consideration in  
525 any construction or interpretation of this code in order to  
526 avoid any conflict between this code and the mandate in s. 5,  
527 Art. VII of the State Constitution that no income tax be levied  
528 upon natural persons who are residents and citizens of this  
529 state.

530 Section 16. Effective upon this act becoming a law and  
531 operating retroactively to January 1, 2015, paragraph (e) of  
532 subsection (1) of section 220.03, Florida Statutes, is amended  
533 to read:

534 220.03 Definitions.—

535 (1) SPECIFIC TERMS.—When used in this code, and when not  
536 otherwise distinctly expressed or manifestly incompatible with  
537 the intent thereof, the following terms shall have the following  
538 meanings:

539 (e) "Corporation" includes all domestic corporations;  
540 foreign corporations qualified to do business in this state or  
541 actually doing business in this state; joint-stock companies;  
542 limited liability companies, under chapter 605 ~~608~~; common-law  
543 declarations of trust, under chapter 609; corporations not for  
544 profit, under chapter 617; agricultural cooperative marketing  
545 associations, under chapter 618; professional service



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546 corporations, under chapter 621; foreign unincorporated  
 547 associations, under chapter 622; private school corporations,  
 548 under chapter 623; foreign corporations not for profit which are  
 549 carrying on their activities in this state; and all other  
 550 organizations, associations, legal entities, and artificial  
 551 persons which are created by or pursuant to the statutes of this  
 552 state, the United States, or any other state, territory,  
 553 possession, or jurisdiction. The term "corporation" does not  
 554 include proprietorships, even if using a fictitious name;  
 555 partnerships of any type, as such; limited liability companies  
 556 that are taxable as partnerships for federal income tax  
 557 purposes; state or public fairs or expositions, under chapter  
 558 616; estates of decedents or incompetents; testamentary trusts;  
 559 or private trusts.

560 Section 17. Effective upon this act becoming a law and  
 561 operating retroactively to January 1, 2015, paragraph (j) of  
 562 subsection (2) of section 220.13, Florida Statutes, is amended  
 563 to read:

564 220.13 "Adjusted federal income" defined.—

565 (2) For purposes of this section, a taxpayer's taxable  
 566 income for the taxable year means taxable income as defined in  
 567 s. 63 of the Internal Revenue Code and properly reportable for  
 568 federal income tax purposes for the taxable year, but subject to  
 569 the limitations set forth in paragraph (1)(b) with respect to  
 570 the deductions provided by ss. 172 (relating to net operating  
 571 losses), 170(d)(2) (relating to excess charitable



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572 contributions), 404(a)(1)(D) (relating to excess pension trust  
573 contributions), 404(a)(3)(A) and (B) (to the extent relating to  
574 excess stock bonus and profit-sharing trust contributions), and  
575 1212 (relating to capital losses) of the Internal Revenue Code,  
576 except that, subject to the same limitations, the term:

577 (j) "Taxable income," in the case of a limited liability  
578 company, other than a limited liability company classified as a  
579 partnership for federal income tax purposes, as defined in and  
580 organized pursuant to chapter 605 ~~608~~ or qualified to do  
581 business in this state as a foreign limited liability company or  
582 other than a similar limited liability company classified as a  
583 partnership for federal income tax purposes and created as an  
584 artificial entity pursuant to the statutes of the United States  
585 or any other state, territory, possession, or jurisdiction, if  
586 such limited liability company or similar entity is taxable as a  
587 corporation for federal income tax purposes, means taxable  
588 income determined as if such limited liability company were  
589 required to file or had filed a federal corporate income tax  
590 return under the Internal Revenue Code;

591 Section 18. Effective upon this act becoming a law and  
592 operating retroactively to January 1, 2015, section 310.181,  
593 Florida Statutes, is amended to read:

594 310.181 Corporate powers.—All the rights, powers, and  
595 liabilities conferred or imposed by the laws of Florida relating  
596 to corporations for profit organized under part I of chapter 607  
597 or under former chapter 608 before January 1, 1976, or to



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598 corporations organized under chapter 621 apply to corporations  
599 organized pursuant to s. 310.171.

600 Section 19. Effective upon this act becoming a law and  
601 operating retroactively to January 1, 2015, subsection (9) of  
602 section 440.02, Florida Statutes, is amended to read:

603 440.02 Definitions.—When used in this chapter, unless the  
604 context clearly requires otherwise, the following terms shall  
605 have the following meanings:

606 (9) "Corporate officer" or "officer of a corporation"  
607 means any person who fills an office provided for in the  
608 corporate charter or articles of incorporation filed with the  
609 Division of Corporations of the Department of State or as  
610 authorized or required under part I of chapter 607. The term  
611 "officer of a corporation" includes a member owning at least 10  
612 percent of a limited liability company as defined in and  
613 organized pursuant to ~~created and approved under~~ chapter 605  
614 ~~608~~.

615 Section 20. Subsection (37) of section 605.0102, Florida  
616 Statutes, is amended to read:

617 605.0102 Definitions.—As used in this chapter, the term:

618 (37) "Majority-in-interest" means those members who hold  
619 more than 50 percent of the then-current percentage or other  
620 interest in the profits of the limited liability company owned  
621 by all of its members ~~and who have the right to vote~~; however,  
622 as used in ss. 605.1001-605.1072, the term means:

623 (a) In the case of a limited liability company with only





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624 one class or series of members, the holders of more than 50  
625 percent of the then-current percentage or other interest in the  
626 profits of the company owned by all of its members who have the  
627 right to approve the a merger, interest exchange, or conversion,  
628 as applicable, under the organic law or the organic rules of the  
629 company; and

630 (b) In the case of a limited liability company having more  
631 than one class or series of members, the holders in each class  
632 or series of more than 50 percent of the then-current percentage  
633 or other interest in the profits of the company owned by all of  
634 the members of that class or series who have the right to  
635 approve the a merger, interest exchange, or conversion, as  
636 applicable, under the organic law or the organic rules of the  
637 company, unless the company's organic rules provide for the  
638 approval of the transaction in a different manner.

639 Section 21. Effective upon this act becoming a law and  
640 operating retroactively to January 1, 2015, subsection (3) of  
641 section 605.0401, Florida Statutes, is amended to read:

642 605.0401 Becoming a member.—

643 (3) After formation of a limited liability company, a  
644 person becomes a member:

645 (a) As provided in the operating agreement;

646 (b) As the result of a merger, interest exchange,  
647 conversion, or domestication under ss. 605.1001-605.1072, as  
648 applicable;

649 (c) With the consent of all the members; or



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650 (d) As provided in s. 605.0701(3).

651 Section 22. Effective upon this act becoming a law and  
 652 operating retroactively to January 1, 2015, paragraph (a) of  
 653 subsection (1) of section 605.04074, Florida Statutes, is  
 654 amended to read:

655 605.04074 Agency rights of members and managers.—

656 (1) In a member-managed limited liability company, the  
 657 following rules apply:

658 (a) Except as provided in subsection (3), each member is  
 659 an agent of the limited liability company for the purpose of its  
 660 activities and affairs, and an act of a member, including  
 661 signing an agreement or instrument of transfer in the name of  
 662 the company for apparently carrying on in the ordinary course of  
 663 the company's activities and affairs or activities and affairs  
 664 of the kind carried on by the company, binds the company unless  
 665 the member had no authority to act for the company in the  
 666 particular matter and the person with whom the member was  
 667 dealing knew or had notice that the member lacked authority.

668 Section 23. Effective upon this act becoming a law and  
 669 operating retroactively to January 1, 2015, paragraph (b) of  
 670 subsection (2) of section 605.04091, Florida Statutes, is  
 671 amended to read:

672 605.04091 Standards of conduct for members and managers.—

673 (2) The duty of loyalty is limited to:

674 (b) Refraining from dealing with the company in the  
 675 conduct or winding up of the company's activities and affairs



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676 as, or on behalf of, a person having an interest adverse to the  
677 company, except to the extent that a transaction satisfies the  
678 requirements of s. 605.04092 ~~this section~~; and

679 Section 24. Subsection (6) of section 605.0602, Florida  
680 Statutes, is amended to read:

681 605.0602 Events causing dissociation.—A person is  
682 dissociated as a member if any of the following occur:

683 (6) On application by the company or a member in a direct  
684 action under s. 605.0801, the person is expelled as a member by  
685 judicial order because the person:

686 (a) Has engaged or is engaging in wrongful conduct that  
687 has affected adversely and materially, or will affect adversely  
688 and materially, the company's activities and affairs;

689 (b) Has committed willfully or persistently, or is  
690 committing willfully or ~~and~~ persistently, a material breach of  
691 the operating agreement or a duty or obligation under s.  
692 605.04091; or

693 (c) Has engaged or is engaging in conduct relating to the  
694 company's activities and affairs which makes it not reasonably  
695 practicable to carry on the activities and affairs with the  
696 person as a member.

697 Section 25. Subsection (3) of section 605.0712, Florida  
698 Statutes, is amended to read:

699 605.0712 Other claims against a dissolved limited  
700 liability company.—

701 (3) A claim that is not barred by this section, ~~s.~~



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702 ~~608.0711~~, or another statute limiting actions, may be enforced:

703 (a) Against a dissolved limited liability company, to the  
704 extent of its undistributed assets; and

705 (b) Except as otherwise provided in s. 605.0713, if assets  
706 of the limited liability company have been distributed after  
707 dissolution, against a member or transferee to the extent of  
708 that person's proportionate share of the claim or of the  
709 company's assets distributed to the member or transferee after  
710 dissolution, whichever is less, but a person's total liability  
711 for all claims under this subsection may not exceed the total  
712 amount of assets distributed to the person after dissolution.

713 Section 26. Subsection (2) of section 605.0717, Florida  
714 Statutes, is amended to read:

715 605.0717 Effect of dissolution.—

716 (2) Except as provided in s. 605.0715(5) ~~605.0715(4)~~, the  
717 name of the dissolved limited liability company is not available  
718 for assumption or use by another business entity until 120 days  
719 after the effective date of dissolution or filing of a statement  
720 of termination, if earlier.

721 Section 27. Subsection (2) of section 605.0805, Florida  
722 Statutes, is amended to read:

723 605.0805 Proceeds and expenses.—

724 (2) If a derivative action ~~under s. 608.0802~~ is successful  
725 in whole or in part, the court may award the plaintiff  
726 reasonable expenses, including reasonable attorney fees and  
727 costs, from the recovery of the limited liability company.



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728 Section 28. Effective upon this act becoming a law and  
729 operating retroactively to January 1, 2015, subsection (2) of  
730 section 606.06, Florida Statutes, is amended to read:

731 606.06 Uniform business report.—The department may use the  
732 uniform business report:

733 (2) As a substitute for any annual report or renewal  
734 filing required by chapters 495, 605, 607, ~~608~~, 609, 617, 620,  
735 621, and 865.

736 Section 29. Effective upon this act becoming a law and  
737 operating retroactively to January 1, 2015, paragraph (c) of  
738 subsection (2) of section 607.1108, Florida Statutes, is amended  
739 to read:

740 607.1108 Merger of domestic corporation and other business  
741 entity.—

742 (2) Pursuant to a plan of merger complying and approved in  
743 accordance with this section, one or more domestic corporations  
744 may merge with or into one or more other business entities  
745 formed, organized, or incorporated under the laws of this state  
746 or any other state, the United States, foreign country, or other  
747 foreign jurisdiction, if:

748 (c) Each domestic limited liability company that is a  
749 party to the merger complies with the applicable provisions of  
750 chapter 605 ~~608~~.

751 Section 30. Effective upon this act becoming a law and  
752 operating retroactively to January 1, 2015, paragraph (d) of  
753 subsection (1) of section 607.1109, Florida Statutes, is amended



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754 to read:

755 607.1109 Articles of merger.—

756 (1) After a plan of merger is approved by each domestic  
 757 corporation and other business entity that is a party to the  
 758 merger, the surviving entity shall deliver to the Department of  
 759 State for filing articles of merger, which shall be executed by  
 760 each domestic corporation as required by s. 607.0120 and by each  
 761 other business entity as required by applicable law, and which  
 762 shall set forth:

763 (d) A statement that the plan of merger was approved by  
 764 each domestic limited liability company that is a party to the  
 765 merger in accordance with the applicable provisions of chapter  
 766 605 ~~608~~.

767 Section 31. Effective upon this act becoming a law and  
 768 operating retroactively to January 1, 2015, subsection (7) of  
 769 section 607.11101, Florida Statutes, is amended to read:

770 607.11101 Effect of merger of domestic corporation and  
 771 other business entity.—When a merger becomes effective:

772 (7) The shares, partnership interests, interests,  
 773 obligations, or other securities, and the rights to acquire  
 774 shares, partnership interests, interests, obligations, or other  
 775 securities, of each domestic corporation and other business  
 776 entity that is a party to the merger shall be converted into  
 777 shares, partnership interests, interests, obligations, or other  
 778 securities, or rights to such securities, of the surviving  
 779 entity or any other domestic corporation or other business



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780 entity or, in whole or in part, into cash or other property as  
781 provided in the plan of merger, and the former holders of  
782 shares, partnership interests, interests, obligations, or other  
783 securities, or rights to such securities, shall be entitled only  
784 to the rights provided in the plan of merger and to their  
785 appraisal rights, if any, under s. 605.1006, ss. 605.1061-  
786 605.1072, ss. 607.1301-607.1333, ~~ss. 608.4351-608.43595,~~ ss.  
787 620.2114-620.2124, or other applicable law.

788 Section 32. Effective upon this act becoming a law and  
789 operating retroactively to January 1, 2015, paragraph (b) of  
790 subsection (2) of section 621.12, Florida Statutes, is amended  
791 to read:

792 621.12 Identification with individual shareholders or  
793 individual members.—

794 (2) The name shall also contain:

795 (b)1. In the case of a professional corporation, the words  
796 "professional association" or the abbreviation "P.A."; or

797 2. In the case of a professional limited liability company  
798 formed before January 1, 2014, the words "professional limited  
799 company" or "professional limited liability company," the  
800 abbreviation "P.L." or "P.L.L.C." or the designation "PL" or  
801 "PLLC," in lieu of the words "limited company" or "limited  
802 liability company," or the abbreviation "L.C." or "L.L.C." or  
803 the designation "LC" or "LLC" as otherwise required under s.  
804 605.0112 or former s. 608.406.

805 3. In the case of a professional limited liability company



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806 formed on or after January 1, 2014, the words "professional  
807 limited liability company," the abbreviation "P.L.L.C." or the  
808 designation "PLLC," in lieu of the words "limited liability  
809 company," or the abbreviation "L.L.C." or the designation "LLC"  
810 as otherwise required under s. 605.0112.

811 Section 33. Effective upon this act becoming a law and  
812 operating retroactively to January 1, 2015, subsection (1) of  
813 section 636.204, Florida Statutes, is amended to read:

814 636.204 License required.—

815 (1) Before doing business in this state as a discount  
816 medical plan organization, an entity must be a corporation, a  
817 limited liability company, or a limited partnership,  
818 incorporated, organized, formed, or registered under the laws of  
819 this state or authorized to transact business in this state in  
820 accordance with chapter 605, part I of chapter 607, ~~chapter 608~~,  
821 chapter 617, chapter 620, or chapter 865, and must be licensed  
822 by the office as a discount medical plan organization or be  
823 licensed by the office pursuant to chapter 624, part I of this  
824 chapter, or chapter 641.

825 Section 34. Effective upon this act becoming a law and  
826 operating retroactively to January 1, 2015, subsection (1) of  
827 section 655.0201, Florida Statutes, is amended to read:

828 655.0201 Service of process, notice, or demand on  
829 financial institutions.—

830 (1) Process against any financial institution authorized  
831 by federal or state law to transact business in this state may





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832 be served in accordance with chapter 48, chapter 49, chapter  
833 605, or part I of chapter 607, ~~or chapter 608~~, as appropriate.

834 Section 35. Effective upon this act becoming a law and  
835 operating retroactively to January 1, 2015, paragraph (c) of  
836 subsection (11) of section 658.2953, Florida Statutes, is  
837 amended to read:

838 658.2953 Interstate branching.—

839 (11) DE NOVO INTERSTATE BRANCHING BY STATE BANKS.—

840 (c) An out-of-state bank may establish and maintain a de  
841 novo branch or acquire a branch in this state upon compliance  
842 with chapter 605 or part I of chapter 607 ~~or chapter 608~~  
843 relating to doing business in this state as a foreign business  
844 entity, including maintaining a registered agent for service of  
845 process and other legal notice pursuant to s. 655.0201.

846 Section 36. Effective upon this act becoming a law and  
847 operating retroactively to January 1, 2015, section 694.16,  
848 Florida Statutes, is amended to read:

849 694.16 Conveyances by merger or conversion of business  
850 entities.—As to any merger or conversion of business entities  
851 prior to June 15, 2000, the title to all real estate, or any  
852 interest therein, owned by a business entity that was a party to  
853 a merger or a conversion is vested in the surviving entity  
854 without reversion or impairment, notwithstanding the requirement  
855 of a deed which was previously required by s. 607.11101, former  
856 s. 608.4383, former s. 620.204, former s. 620.8904, or former s.  
857 620.8906.



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858 Section 37. Effective upon this act becoming a law and  
859 operating retroactively to January 1, 2015, paragraph (f) of  
860 subsection (2) of section 1002.395, Florida Statutes, is amended  
861 to read:

862 1002.395 Florida Tax Credit Scholarship Program.—

863 (2) DEFINITIONS.—As used in this section, the term:

864 (f) "Eligible nonprofit scholarship-funding organization"

865 means a state university; or an independent college or  
866 university that is eligible to participate in the William L.  
867 Boyd, IV, Florida Resident Access Grant Program, located and  
868 chartered in this state, is not for profit, and is accredited by  
869 the Commission on Colleges of the Southern Association of  
870 Colleges and Schools; or is a charitable organization that:

871 1. Is exempt from federal income tax pursuant to s.  
872 501(c)(3) of the Internal Revenue Code;

873 2. Is a Florida entity formed under chapter 605, chapter  
874 607, ~~chapter 608~~, or chapter 617 and whose principal office is  
875 located in the state; and

876 3. Complies with subsections (6) and (16).

877 Section 38. Except as otherwise expressly provided in this  
878 act and except for this section, which shall take effect upon  
879 this act becoming a law, this act shall take effect July 1,  
880 2015.