



SPONSOR: Sen. Lockman & Sen. Brown & Sen. S. McBride &  
Sen. Paradee & Sen. Pettyjohn & Rep. Bolden &  
Rep. Chukwuocha & Rep. Cooke & Rep. Dorsey Walker  
& Rep. Griffith  
Rep. Briggs King

DELAWARE STATE SENATE  
152nd GENERAL ASSEMBLY

SENATE BILL NO. 110

AN ACT TO AMEND TITLE 6 AND TITLE 8 OF THE DELAWARE CODE RELATING TO THE COURTHOUSE MUNICIPALITY FEE.

1 WHEREAS, Delaware is one of the world's leading corporate domiciles and its Court of Chancery is widely  
2 regarded as the nation's preeminent forum for the determination of disputes involving the internal affairs of business  
3 entities; and

4 WHEREAS, costs are incurred by the municipality in which the Courts of Chancery reside so that the  
5 aforementioned courts may provide exemplary service; and

6 WHEREAS, litigants and their counsel from around the state, the nation, and the world appear before the Court of  
7 Chancery, and it is in the State's best interest to provide a positive impression of such municipalities; and

8 WHEREAS, significant investments in building and property are made by the State of Delaware to host the Courts  
9 of Chancery in these municipalities.

10 NOW, THEREFORE: BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE  
11 (Two-thirds of all members elected to each house thereof concurring therein):

12 Section 1. Amend § 18-206(e), Title 6 of the Delaware Code by making deletions as shown by strike through and  
13 insertions as shown by underline as follows:

14 (e) The Secretary of State, acting as agent, shall collect and deposit in a separate account established  
15 exclusively for that purpose, a courthouse municipality fee with respect to each filed instrument and shall  
16 thereafter monthly remit funds from such account to the treasuries of the municipalities designated in § 301 of  
17 Title 10. Said fees shall be for the purposes of defraying certain costs incurred by such municipalities in  
18 hosting the primary locations for the Delaware Courts. The fee to such municipalities shall be ~~\$20~~ \$40 for  
19 each instrument filed with the Secretary of State in accordance with this section. The municipality to receive  
20 the fee shall be the municipality designated in § 301 of Title 10 in the county in which the limited liability  
21 company's registered office in this State is, or is to be, located, except that a fee shall not be charged for a  
22 document filed in accordance with subchapter IX of this chapter.

23 Section 2. Amend § 103(c)(7), Title 8 of the Delaware Code by making deletions as shown by strike through and  
24 insertions as shown by underline as follows:

25 (7) The Secretary of State, acting as agent, shall collect and deposit in a separate account established  
26 exclusively for that purpose a courthouse municipality fee with respect to each filed instrument and shall  
27 thereafter monthly remit funds from such account to the treasuries of the municipalities designated in § 301  
28 of Title 10. Said fees shall be for the purposes of defraying certain costs incurred by such municipalities in  
29 hosting the primary locations for the Delaware courts. The fee to such municipalities shall be ~~\$20~~ \$40 for each  
30 instrument filed with the Secretary of State in accordance with this section. The municipality to receive the fee  
31 shall be the municipality designated in § 301 of Title 10 in the county in which the corporation's registered  
32 office in this State is, or is to be, located, except that a fee shall not be charged for a certificate of dissolution  
33 qualifying for treatment under § 391(a)(5)b. of this title, a resignation of agent without appointment of a  
34 successor under § 136 of this title, or a document filed in accordance with subchapter XVI of this chapter.

35 Section 3. This bill shall take effect on August 1, 2023.

#### SYNOPSIS

This Bill increases the courthouse municipality fee assessed on limited liability company (LLC) filings and corporate filings from \$20 to \$40. The fee is expected to raise \$8.5 million to be distributed to the municipalities designated as the places of holding the Court of Chancery. The fee is distributed to the municipality in the county in which a business entity's registered office is located.

Author: Senator Lockman