

By Senator Saunders

25-1699-00

See HB 1569

1 A bill to be entitled
 2 An act relating to the merger or conversion of
 3 business entities; amending ss. 607.11101,
 4 608.4383, 620.204, 620.8906, F.S.; deleting
 5 requirement that a deed be recorded in order to
 6 transfer title to real property incident to
 7 merger; amending s. 620.8904, F.S.; deleting
 8 requirement that a deed be recorded in order to
 9 transfer title to real property incident to
 10 conversion of a partnership or a limited
 11 partnership; creating s. 694.16, F.S., relating
 12 to conveyances incident to the merger or
 13 conversion of a business entity; providing a
 14 directive to the Division of Statutory
 15 Revision; providing an effective date.

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 17 Be It Enacted by the Legislature of the State of Florida:

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 19 Section 1. Subsection (2) of section 607.11101,
 20 Florida Statutes, is amended to read:
 21 607.11101 Effect of merger of domestic corporation and
 22 other business entity.--When a merger becomes effective:
 23 (2) The title to all real estate and other property,
 24 ~~other than real property~~ or any interest therein, owned by
 25 each domestic corporation and other business entity that is a
 26 party to the merger is vested in the surviving entity without
 27 reversion or impairment. ~~Title to real property or any~~
 28 ~~interest therein shall be conveyed by the recordation of a~~
 29 ~~deed with payment of applicable taxes thereon.~~

30 Section 2. Subsection (2) of section 608.4383, Florida
 31 Statutes, is amended to read:

1 608.4383 Effect of merger.--When a merger becomes
2 effective:

3 (2) The title to all real estate and other property,
4 ~~other than real property~~ or any interest therein, owned by
5 each domestic limited liability company ~~corporation~~ and other
6 business entity that is a party to the merger is vested in the
7 surviving entity without reversion or impairment. ~~Title to~~
8 ~~real property or any interest therein shall be conveyed by the~~
9 ~~recordation of a deed with payment of applicable taxes~~
10 ~~thereon.~~

11 Section 3. Paragraph (b) of subsection (1) of section
12 620.204, Florida Statutes, is amended to read:

13 620.204 Effect of merger.--

14 (1) When a merger becomes effective:

15 (b) The title to all real estate and other property,
16 ~~other than real property~~ or any interest therein, owned by
17 each domestic limited partnership ~~corporation~~ and other
18 business entity that is a party to the merger is vested in the
19 surviving entity without reversion or impairment. ~~Title to~~
20 ~~real property or any interest therein shall be conveyed by the~~
21 ~~recordation of a deed with payment of applicable taxes~~
22 ~~thereon.~~

23 Section 4. Subsection (2) of section 620.8904, Florida
24 Statutes, is amended to read:

25 620.8904 Effect of conversion; entity unchanged.--

26 (2) When a conversion takes effect:

27 (a) Title to all real estate and other personal
28 property owned by the converting partnership or limited
29 partnership ~~is remains~~ vested in the converted entity without
30 reversion or impairment. ~~Title to all real property owned by~~
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1 ~~the converting partnership or limited partnership shall be~~
2 ~~transferred by deed to the converted entity; and~~

3 (b) All liabilities and obligations of the converting
4 partnership or limited partnership continue as liabilities and
5 obligations of the converted entity.

6 Section 5. Subsection (1) of section 620.8906, Florida
7 Statutes, is amended to read:

8 620.8906 Effect of merger.--

9 (1) When a merger takes effect:

10 (a) The separate existence of every partnership or
11 limited partnership which is a party to the merger, other than
12 the surviving entity, ceases;

13 (b) Title to all real estate and other personal
14 property, or any interest therein, owned by each of the
15 domestic merged partnerships or limited partnerships vests in
16 the surviving entity without reversion or impairment. ~~Title~~
17 ~~to all real property owned by each of the merged partnerships~~
18 ~~or limited partnerships shall be transferred by deed to the~~
19 ~~surviving entity;~~

20 (c) All liabilities and obligations of each
21 partnership or limited partnership which is a party to the
22 merger become the liabilities and obligations of the surviving
23 entity;

24 (d) A claim existing or action or proceeding pending
25 by or against a partnership or limited partnership which is a
26 party to the merger may be continued as if the merger had not
27 occurred, or the surviving entity may be substituted as a
28 party to the action or proceeding;

29 (e) Neither the rights of creditors of a converting
30 partnership or limited partnership nor any liens upon the
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1 property of any party to the merger are impaired by such
2 merger; and
3 (f) Each partner of a party to the merger is entitled
4 only to the rights provided in the plan of merger.
5 Section 6. Section 694.16, Florida Statutes, is
6 created to read:
7 694.16 Conveyances by merger or conversion of business
8 entities.--As to any merger or conversion of business entities
9 prior to the effective date of this act, the title to all real
10 estate, or any interest therein, owned by a business entity
11 that was a party to a merger or a conversion is vested in the
12 surviving entity without reversion or impairment,
13 notwithstanding the requirement of a deed which was previously
14 required by s. 607.11101, s. 608.4383, s. 620.204, s.
15 620.8904, or s. 620.8906.
16 Section 7. In the next addition of the official
17 Florida Statutes, the Division of Statutory Revision is
18 directed to replace the phrase "the effective date of this
19 act" in section 694.16, Florida Statutes, with the date on
20 which this act takes effect.
21 Section 8. This act shall take effect upon becoming a
22 law.

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25 LEGISLATIVE SUMMARY

26 Revises various provisions of state law governing the
27 merger or conversion of business entities to delete the
28 requirement that a deed be recorded in order to transfer
29 title to real property incident to merger. Provides for
30 the vesting of title to certain property with respect to
31 conveyances prior to the merger or conversion of a
business entity. (See bill for details.)