

Topic: Business Identity Theft  
 Question by: Rebecca Longfellow  
 Jurisdiction: Indiana  
 Date: September 4, 2013

Jurisdiction	Question(s)
	I am wondering if any of you have either policies or statutes regarding business identity theft and/or fraudulent filings. This could include email notification, user name and password, policies for determining whether/when to remove a filing from the record, the ability to reject filings if they appear to be fraudulent, criminal statutes for fraudulent filings etc.
<b>Manitoba</b>	
<b>Corporations Canada</b>	
<b>Alabama</b>	
<b>Alaska</b>	
<b>Arizona</b>	
<b>Arkansas</b>	
<b>California</b>	
<b>Colorado</b>	
<b>Connecticut</b>	
<b>Delaware</b>	
<b>District of Columbia</b>	In the District of Columbia we utilize perjury statement language that we have added to our website for web filings and all of our paper forms.  In case of fraudulent filings, we refer cases to Office of Attorney General. Some cases are being referred to local courts when there is a dispute between who are the governors for any particular entity and who has authority to act on behalf of the entity.  We are planning to have e-notification of any changes in the near future for all of our customers to prevent any unauthorized filings.
<b>Florida</b>	
<b>Georgia</b>	
<b>Hawaii</b>	

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Idaho	
Illinois	
Indiana	
Iowa	
Kansas	
Kentucky	
Louisiana	Louisiana has an email notification system (voluntary for the business filer) that will notify them when ANY change is made. The filer can then decide if it is fraudulent.
Maine	
Maryland	
Massachusetts	
Michigan	See Additional Comments below
Minnesota	
Mississippi	
Missouri	
Montana	
Nebraska	

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<p><b>Nevada</b></p>	<p>Nevada has forged/fraudulent filing statutes and regulations that allow us to intercede in an instance where an unrelated 3rd party has improperly filed documents on another's entity. This allows us to reverse a filing through a filing officer statement if it is found that the filing was indeed improper.</p> <p>NRS 225.083 and .084 contain the statutory provisions - <a href="http://www.leg.state.nv.us/NRS/NRS-225.html#NRS225Sec083">http://www.leg.state.nv.us/NRS/NRS-225.html#NRS225Sec083</a></p> <p>NAC 225.020 -.130 contain the regulatory provisions - <a href="http://www.leg.state.nv.us/NAC/NAC-225.html#NAC225Sec020">http://www.leg.state.nv.us/NAC/NAC-225.html#NAC225Sec020</a></p> <p>Senate Bill 60 of the 2013 Regular Session of the Nevada Legislature (Effective 10/1/2013) added provisions requiring a court order or board approval to reinstate or revive a revoked or otherwise terminated entity. It also made it unlawful to create any entity for furtherance of unlawful activities. <a href="http://www.leg.state.nv.us/Session/77th2013/Bills/SB/SB60_EN.pdf">http://www.leg.state.nv.us/Session/77th2013/Bills/SB/SB60_EN.pdf</a></p> <p>Nevada Revised Statutes also give the Secretary of State the authority to issue interrogatories in connection with any criminal investigation. <a href="http://www.leg.state.nv.us/NRS/NRS-078.html#NRS078Sec152">http://www.leg.state.nv.us/NRS/NRS-078.html#NRS078Sec152</a></p> <p>There are also prohibitions and penalties for businesses doing business in Nevada without filing proper formation or qualification documents, or maintaining a State Business License. NRS - <a href="http://www.leg.state.nv.us/NRS/NRS-078.html#NRS078Sec047">http://www.leg.state.nv.us/NRS/NRS-078.html#NRS078Sec047</a> NAC - <a href="http://www.leg.state.nv.us/Register/2011Register/R070-11A.pdf">http://www.leg.state.nv.us/Register/2011Register/R070-11A.pdf</a></p>
<p><b>New Hampshire</b></p>	
<p><b>New Jersey</b></p>	
<p><b>New Mexico</b></p>	
<p><b>New York</b></p>	
<p><b>North Carolina</b></p>	<p>North Carolina has this as well. We also allow third parties to sign up for an e-mail notification on filings for one or more entities.</p> <p>If a complaint is filed with us regarding a filing that should not have been made, we utilize our authority to promulgate interrogatories.</p> <p>Usually the interrogatories are not responded to, which gives us grounds for administrative dissolution. If the issue is between partners or domestic, it gets to a point that we send them to the courts.</p>

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<b>North Dakota</b>	
<b>Ohio</b>	<p>Ohio has an email notification system to let our customers know when any document has been filed on our record. If they find that a document is fraudulent, they must provide us with a court order instructing us to remove the document from the record.</p>
<b>Oklahoma</b>	
<b>Oregon</b>	<p>Here is a link to some Business ID theft legislation we passed this spring.  <a href="http://www.leg.state.or.us/13reg/measpdf/sb0100.dir/sb0141.en.pdf">http://www.leg.state.or.us/13reg/measpdf/sb0100.dir/sb0141.en.pdf</a></p> <p>We also will implement email notification soon, and have put up this web page, per NASS advice.  <a href="http://www.filinginoregon.com/pages/identity-theft.html">http://www.filinginoregon.com/pages/identity-theft.html</a></p> <p>If you haven't seen it, I recommend review of the NASS white paper and tool kit  <a href="http://www.nass.org/index.php?option=com_content&amp;view=article&amp;id=278&amp;Itemid=516">http://www.nass.org/index.php?option=com_content&amp;view=article&amp;id=278&amp;Itemid=516</a> and the materials we presented at IACA in Williamsburg.</p>
<b>Pennsylvania</b>	
<b>Rhode Island</b>	
<b>South Carolina</b>	
<b>South Dakota</b>	
<b>Tennessee</b>	
<b>Texas</b>	
<b>Utah</b>	<p>Utah has an email notification system (voluntary for the business filer) that will notify them when ANY change is made. The filer can then decide if it is fraudulent.</p>
<b>Vermont</b>	
<b>Virginia</b>	
<b>Washington</b>	
<b>West Virginia</b>	
<b>Wisconsin</b>	
<b>Wyoming</b>	

**Additional comments:**

**MICHIGAN:**

In Michigan, several of the statutes administered by the Corporation Division contain provisions which allow the attorney general to bring action to dissolve an entity that procured its organization by fraud. Also, the Trademarks and Service Marks Act allows an injured party to seek damages from a person that procures a filing or registration of any mark by fraudulent representation.

Pursuant to Section 821 (1) of the Business Corporation Act, 1972 PA 284 and the Nonprofit Corporation Act, 1982 PA 162, “The attorney general may bring an action in the circuit court of the county in which the principal place of business or registered office of the corporation is located for dissolution of a corporation upon the ground that the corporation has committed any of the following acts: (a) Procured its organization through fraud.”

Pursuant to Section 803(1) of the Michigan Limited Liability Company Act, 1993 PA 23, “The attorney general may bring an action in the circuit court for the county in which the registered office of a limited liability company is located for dissolution of the limited liability company on the ground that the company has committed any of the following acts: (a) Procured its organization through fraud.”

Pursuant to Section 11 of the Trademarks and Service Marks Act, 1969 PA 242, “Any person who on their behalf, or on behalf of any other person, procures the filing or registration of any mark in the office of the administrator, by knowingly making any false or fraudulent representation or declaration, verbally or in writing, or by any other fraudulent means, shall be liable to pay all damages sustained in consequence of the filing or registration, to be recovered by or on behalf of the party injured thereby in any court of competent jurisdiction of record.”

Additionally, Chapter 41 of the Michigan Penal Code, 1931 PA 328, contains the provisions that apply to forgery and counterfeiting.

Specifically, Section 248(1) of the statute provides:

A person who falsely makes, alters, forges, or counterfeits a public record, or a certificate, return, or attestation of a clerk of a court, register of deeds, notary public, township clerk, or any other public officer, in relation to a matter in which the certificate, return, or attestation may be received as legal proof, or a charter, will, testament, bond, writing obligatory, letter of attorney, policy of insurance, bill of lading, bill of exchange, promissory note, or an order, acquittance of discharge for money or other property, or a waiver, release, claim or demand, or an acceptance of a bill of exchange, or endorsement, or assignment of a bill of exchange or promissory note for the payment of money, or an accountable receipt for money, goods, or other property with intent to injure or defraud another person is guilty of a felony punishable by imprisonment for not more than 14 years.

Furthermore, Section 259 of the Michigan Penal Code, 1931 PA 328, states “Affixing fictitious signature—If any fictitious or pretended signature, purporting to be the signature of an officer or agent of any corporation, shall be fraudulently affixed to any instrument or writing, purporting to be a note, draft or other evidence of debt, issued by said corporation, with intent to pass the same as true, it shall be deemed a forgery, though no such person may ever have been an officer or agent of such corporation, nor ever have existed.”

The Corporation Division makes its best efforts to prevent fraudulent filings; however, we do not have written policies in this regard.

Examples of procedures that we observe include: not filing documents that contain an individual's Social Security number or an entity's EIN on the document. If we receive a document that contains this information, then we redact it so that it is not available to the public. Also, we do not send preprinted annual statements and annual reports to anyone that requests them. The reports may only be sent to an authorized officer, director, or resident agent (located at the registered office) of the entity as stated on the Bureau's records.

**Full text of email:**

All,

I am wondering if any of you have either policies or statutes regarding business identity theft and/or fraudulent filings. This could include email notification, user name and password, policies for determining whether/when to remove a filing from the record, the ability to reject filings if they appear to be fraudulent, criminal statutes for fraudulent filings etc.

The purpose is to determine how Indiana's statutes and policies compare to other states' and to help determine what legislative initiatives may be available this session.

Thank you all in advance for any information you share!

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