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Nebraska Secretary of State

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New law sets 5 years for business entities to seek reinstatement

LINCOLN – Certain business entities that have been administratively dissolved in Nebraska will only have five years to reinstate themselves under legislation passed by the 2012 Legislature, Secretary of State John Gale says.

The bill, LB 854, applies to limited liability companies, corporations, nonprofit corporations and limited cooperative associations, and is effective on Jan. 1, 2013.

Under current law, there is no time period that restricts a business entity from seeking reinstatement. As of Jan. 1, 2013, an entity seeking reinstatement will only have five years from the date of dissolution or revocation to apply for reinstatement.

Gale noted that the new law will help combat business identity theft, a growing national problem. "Limiting the time for reinstatement removes shelf entities that have long ceased doing business from being reinstated by unrelated third parties and used for criminal purposes," he said.

Gale advised all business entities to review their status with his office and reinstate when appropriate. If the reinstatement is granted, it becomes effective on the date of the administrative dissolution or revocation, and the business entity may resume its activities as if the dissolution or revocation had not occurred.

Business entity information can be found online at www.sos.ne.gov or by calling (402) 471-4079.

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