



# 2022

## **Annual Report on Veteran- and Reservist-Owned Small Business Fee Exemptions**

**November 1, 2023**



The Pennsylvania Department of State (“Department”) submits this report on the total 2022 veteran- and reservist-owned small business fee exemptions to the General Assembly pursuant to 51 Pa. C.S. § 9611(e). As background, Act 135 of 2016 exempts veterans and reservists starting a small business in the Commonwealth from the payment of a business fee. The law became effective on Jan. 3, 2017.

A business fee is any fee required to be paid to the Commonwealth or a political subdivision for starting or opening a business within Pennsylvania.<sup>1</sup> The term does not include a fee for maintaining licensure or other requirement for continuing to operate a business.<sup>2</sup> A small business must be independently owned, not dominant in its field of operation, and employ 100 or fewer employees.<sup>3</sup> A veteran- or reservist-owned small business must be owned and controlled by a veteran/veterans or reservist/reservists.<sup>4</sup>

A veteran is an individual who served in the United States Armed Forces, including a reserve component or the National Guard, and who was discharged or released from service under conditions other than dishonorable.<sup>5</sup> A reservist is a member of a United States Armed Forces reserve component or National Guard.<sup>6</sup>

The filing fees for the following documents are waived by the Department’s Bureau of Corporations and Charitable Organizations (“Bureau”) when the documents are signed by the veteran or reservist and submitted with proof of the veteran’s or reservist’s status:

- Articles of Incorporation (for profit): \$125
- Articles of incorporation (nonprofit): \$125
- Certificate of Organization: \$125
- Certificate of Limited Partnership: \$125
- Registration – Domestic Registered Limited Liability Partnership: \$125
- Foreign Registration Statement: \$250
- Registration of Fictitious Name: \$70

The above-listed business documents may be submitted directly by the veteran or reservist or submitted through a law firm or service company. All formation/registration documents must be signed by the veteran or reservist seeking the fee exemption. As proof of their status, a veteran or reservist must provide the Bureau with a legible photocopy of:

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<sup>1</sup> 51 Pa.C.S. § 9610.

<sup>2</sup> Id.

<sup>3</sup> 62 Pa.C.S. § 2102.

<sup>4</sup> 51 Pa.C.S. § 9610.

<sup>5</sup> 51 Pa.C.S. § 9601.

<sup>6</sup> 51 Pa.C.S. § 9610.

- A federal DD-214 form,
- A federal NGB-22 form,
- A valid federal Veterans' Administration card, or
- A valid Department of Defense-issued military identification card<sup>7</sup>

Filings and proof of veteran/reservist status may be submitted to the Bureau online through [Business Filing Services \(BFS\)](#), by mail, or in person.

The following table shows the total number of business fee exemptions applied for and issued to veteran- and reservist-owned small businesses in the 2022 calendar year and the total dollar amount of those exemptions. In 2022, the Department averaged 246 accepted filings per month, with a 27% rejection rate. Rejections were primarily due to missing docketing statements and failure to provide proof of veteran or reservist status.

Months in 2022	Number of applications submitted	Number of filings accepted	Fees waived
January	410	385	\$37,050
February	515	376	\$42,820
March	560	402	\$68,445
April	351	248	\$20,000
May	316	213	\$15,625
June	299	150	\$13,195
July	370	277	\$34,375
August	314	241	\$30,125
September	392	125	\$15,625
October	117	114	\$13,345
November	235	233	\$27,205
December	191	189	\$20,930
<b>Totals</b>	<b>4,070</b>	<b>2,953</b>	<b>\$338,740</b>

Respectfully submitted,



Al Schmidt  
Secretary of the Commonwealth of Pennsylvania

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<sup>7</sup> 51 Pa.C.S. § 9611(b).



