



2025

Annual Report on Veteran- and Reservist-Owned Small Businesses Fee Exemptions

March 31, 2026



The Department of State (“Department”) submits this report to the General Assembly pursuant to 51 Pa. C.S. § 9611(e), which requires the Department to annually determine the total number of business fee exemptions applied for and issued and the total dollar amount of the exemptions and submit a report to the chair and minority chair of the Veterans Affairs and Emergency Preparedness Committee of the Senate and the chair and minority chair of the Veterans Affairs and Emergency Preparedness Committee of the House of Representatives. This report is for calendar year 2025.

By way of 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 January 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.¹ The term does not include a fee for maintaining licensure or other requirement for continuing to operate a business.² A small business must be independently owned, not dominant in its field of operation, and employ 100 or fewer employees.³ A veteran- or reservist-owned small business must be owned and controlled by a veteran/veterans or reservist/reservists.⁴

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.⁵ A reservist is a member of a United States Armed Forces reserve component or National Guard unit.⁶

The filing fees are waived by the Department’s Bureau of Corporations and Charitable Organizations and the Bureau of Professional and Occupational Affairs when the documents are signed by the veteran or reservist and submitted with proof of the veteran’s or reservist’s status. A veteran or reservist must provide the Bureaus with proof of the veteran’s or reservist’s status at the time the business application is submitted. Such proof includes a legible photocopy of:

- 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

Bureau of Corporations and Charitable Organizations

The following formation 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.

- Articles of Incorporation (for profit): \$125
- Articles of Incorporation (nonprofit): \$125
- Certificate of Organization Domestic Limited Liability Company: \$125
- Certificate of Limited Partnership: \$125

- Registration – Domestic Registered Limited Liability Partnership: \$125
- Foreign Registration Statement: \$250
- Registration of Fictitious Name: \$70

Formation filings and proof of veteran/reservist status may be submitted to the Bureau online through its [Business Filing Services](#) portal, by mail, or via personal delivery.

The following table illustrates the total number of exemptions applied for and issued to veteran- or reservist-owned small businesses in 2025 and the total amount of those exemptions.

Bureau of Corporations and Charitable Organizations			
Month	# of Applications Submitted	# of Filings Accepted	Fees Waived
January	357	299	\$35,130
February	299	285	\$31,015
March	387	315	\$39,195
April	421	337	\$41,300
May	393	329	\$37,720
June	365	303	\$35,580
July	384	329	\$40,115
August	379	340	\$40,615
September	338	300	\$36,445
October	382	344	\$41,135
November	381	338	\$38,490
December	335	281	\$34,885
Totals	4,421	3,800	\$451,625

The Bureau averaged 316 accepted filings per month, with a 14.05% correction rate. Rejections were primarily due to missing docketing statements and failure to provide proof of veteran or reservist status.

Bureau of Professional and Occupational Affairs

Initial application fees may be waived for the following license types, which represent businesses regulated by the various licensing boards and commissions, when submitted with proof of the veteran's or reservist's status and signed by the veteran or reservist:

- Architecture firms
- Pharmacies
- Funeral entities
- Barber shops and schools
- Accountancy firms
- Cosmetology salons and schools
- Esthetician salons

- Nail technology salons
- Dental facility fictitious name registrations
- Expanded function dental assistant education programs
- Real estate brokers and cemetery brokers and companies
- Rental listing referral agents
- Appraisal management companies
- Auction companies
- Trading assistant companies
- Vehicle auctions, dealers, distributors and manufacturers
- Education providers

Applications and proof of status documents can be submitted through the [Pennsylvania Licensing System \(PALS\)](#).

The Bureau processed 72 veteran and reservist applications with \$10,512.50 in fees exempted across seven licensure boards in 2025.

Bureau of Professional and Occupational Affairs		
Licensing Board	# of Applications	Fees Waived
State Architects Licensure Board	5	\$250.00
State Board of Auctioneer Examiners	3	\$405.00
State Board of Barber Examiners	15	\$2,400.00
State Board of Cosmetology	35	\$4,970.00
State Board of Funeral Directors	1	\$150.00
State Real Estate Commission	5	\$847.50
State Board of Vehicle Manufacturers, Dealers, and Salespersons	8	\$1,490.00
Totals	72	\$10,512.50

Respectfully submitted,



Al Schmidt
Secretary of the Commonwealth of Pennsylvania

¹ 51 Pa.C.S. § 9610.

² Id.

³ 62 Pa.C.S. § 2102.

⁴ 51 Pa.C.S. § 9610.

⁵ 51 Pa.C.S. § 9601.

⁶ 51 Pa.C.S. § 9610.

