



2024

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

March 19, 2024



The Pennsylvania Department of State (“Department”) submits this report on the total 2023 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.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.⁶

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 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

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:

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.

- 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 card⁷

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 and chart illustrate the total number of business fee exemptions applied for and issued to veteran- or reservist-owned small businesses in the 2023 calendar year and the total dollar amount of these exemptions. The Department averaged 355 accepted filings per month, with a 13% rejection rate. The rejections are primarily due to missing docketing statements and failure to provide proof of veteran or reservist status.

| Months in 2023 | Number of Applications Submitted | Number of Filings Accepted | Fees Waived |
|----------------|----------------------------------|----------------------------|---------------------|
| January | 296 | 293 | \$33,880.00 |
| February | 354 | 331 | \$38,705.00 |
| March | 479 | 400 | \$46,230.00 |
| April | 355 | 301 | \$34,380.00 |
| May | 376 | 328 | \$38,930.00 |
| June | 355 | 317 | \$36,950.00 |
| July | 396 | 339 | \$38,215.00 |
| August | 390 | 339 | \$38,695.00 |
| September | 332 | 287 | \$34,525.00 |
| October | 332 | 282 | \$32,855.00 |
| November | 338 | 265 | \$32,115.00 |
| December | 266 | 219 | \$25,100.00 |
| Totals | 4,269 | 3,701 | \$430,580.00 |

Respectfully submitted,



Al Schmidt
Secretary of the Commonwealth of Pennsylvania

⁷ 51 Pa.C.S. § 9611(b).

