



# Hamilton County LAW LIBRARY NEWS

Professional legal information, services, and education

August 2016

## Properly Winding Up a Business Means Paying the Bills

By Andrew M. Voorhies, Esq. of Weltman, Weinberg, & Reis, Co., LPA. \*

Whether it is time to retire, sell a business or simply close its doors, there are steps that must be taken to comply with Ohio law. Ohio Revised Code § 1701.86 provides the framework for voluntarily dissolving a corporation. It lists the notices and certificates required by the State.

However, another essential part of dissolving a corporation is winding up its affairs, including:

- Wrapping up all remaining business
- Paying debts
- Distributing assets

Ohio Revised Code § 1701.88 (A) states that the corporation shall cease to carry on business and shall do only such acts as are required to wind up its affairs, or to obtain reinstatement of the articles. (Other states have comparable laws.<sup>1</sup>)

**What Corporate Acts Are Considered Part of this “Winding Up” Process?**

Ohio Revised Code § 1701.88 (D) identifies the entire spectrum of actions (D)(14) which specifically requires officers of a dissolving corporation to “apply the assets to the payment of obligations.” Obligations include both secured and unsecured claims, such as employee salaries, facility rentals, equipment leases, utility bills and, most importantly, taxes.

An important part of winding up is notifying creditors of the dissolution. Ohio Revised Code § 1701.87 requires public notice of voluntary dissolution to any known creditor and any person that has a claim (conditional, unmatured or contingent) against the dissolving corporation. Notices must include a mailing address for submitting claims and a deadline for doing so. It is very important that creditors place a claim with the dissolving corporation within the stated time period or their claim will be barred.<sup>2</sup>

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### Hamilton County Law Library

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Courthouse  
1000 Main Street  
Room 601  
Cincinnati, OH 45202  
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F:513.946.5264

Open Monday-Friday 8 - 4

<http://lawlibrary.hamilton-co.org>

## Tech Tip: Search Terms & Connectors Master Chart

By: Julie Koehne, Assistant Law Librarian, Systems

Using search terms and connectors while conducting research on the library's legal databases can help quickly hone your search queries, resulting in increased efficiency. However, what search terms and connectors researchers should use can vary greatly between each database. It's no small feat to keep track of which search terms and connectors are relevant to which legal database (especially when researchers are utilizing multiple databases simultaneously), which is why we've compiled a reference chart (below) that details the most popular search terms and connectors for each database.

- Reprinted with permission from the Stark County Law Library [June/July 2016 Newsletter](#)

	Westlaw	Lexis	CCH IntelliConnect	Fastcase
Find an exact phrase	Enclose phrase in "quotation marks"	DEFAULT SEARCH	Enclose phrase in "quotation marks"	Enclose phrase in "quotation marks"
Find one term or another	DEFAULT SEARCH	Add OR between terms	Add OR between terms	Add OR between terms
Find both terms	Add & between terms	Add AND between terms	DEFAULT SEARCH	DEFAULT SEARCH
Find both terms in the same sentence	Add /s between terms	Add /s or w/s between terms	Add w/sen between terms	—
Find both terms in the same paragraph	Add /p between terms	Add /p or w/p between terms	Add w/par between terms	—
Exclude the second term	Add % between terms	Add AND NOT between terms	—	Add NOT between terms
Find two terms that are within a specific # of words of each other	Add /# between terms	Add /# or w/# between terms	Add w/# between terms	Add w/# between terms
First term must precede second term within a specific # of words	Add +# between terms	Add pre/# between terms	Add p/# between terms	—
Group search terms and commands	(enclose in parentheses)	(enclose in parentheses)	—	(enclose in parentheses)
Include variant spellings in results	Substitute * for one or more letters	Substitute * for one or more letters	Substitute ? for one or more letters	Substitute ? for one or more letters
Include variant word endings in results	Add ! to end of root word	Add ! to end of root word	Add * to end of root word	Add * to end of root word

To see a full list go to: <http://lawlibrary.hamiltoncountyohio.gov/wp-content/uploads/2016/07/unabridged-chart-MS-pub.pdf>

## Upcoming CLE

Free to subscribers; \$50 for non-subscribers  
Registration is required.

To register, call 513.946.5300, email  
[reference@cms.hamilton-co.org](mailto:reference@cms.hamilton-co.org), or  
register via the website

[http://lawlibrary.hamiltoncountyohio.gov/  
classes/cle/](http://lawlibrary.hamiltoncountyohio.gov/classes/cle/)

### [Competency to Stand Trial vs. Competency to Waive Miranda Rights: Distinct Tests, Distinct Standards](#)

Speaker: Craig Newburger

Tuesday, September 13, 2016

Noon-1pm

1.0 hour of general CLE pending in Ohio and

## Something Old, Something New

Library staff take a lot of pride in offering library users up-to-date legal information by providing high quality, well-edited digital and print resources. Half of our revenue goes to updates, new books, and databases. But we are equally proud of the older material that we've retained, even while many law offices and libraries have purged their space of books. Here are some examples of historic research needs that have brought people to the Law Library for help recently: early statutory law from another state, sections of old Ohio code along with the relevant House and Senate Reports, an older law review article that isn't in a database accessible to the user, a mid-1900s Court Index research project, to name just a few. A lot of legal information wasn't born digital and won't be converted, so we've made it a point to retain key resources for historical research.

## CCH IntelliConnect Training: Basics & Search Tips

Speaker: Tiffany Fults

Thursday, September 8, 2016

10am-11am

Subscribers who are solos or firm attorneys whose entire firm has a subscription to the Law Library have remote access to IntelliConnect databases on a variety of topics including:

Banking

Financial & Estate Planning

Intellectual Property

Labor & Employment

Products Liability

Pension & Benefits

Tax

Refreshments will be provided.

To register, please call 513.946.5300, email [reference@cms.hamilton-co.org](mailto:reference@cms.hamilton-co.org) or register here-[http://lawlibrary.hamiltoncountyohio.gov/  
event-registration/?ee=82](http://lawlibrary.hamiltoncountyohio.gov/event-registration/?ee=82)

**\*Note: this is not a CLE**

## Updates by Practice Area

Did you know that our reference librarian, Laura Dixon Caldwell, sends out topical news updates every couple of weeks? You can subscribe to our practice area updates like criminal law, estates and trusts, family law, IP, employment law, torts, tax and real estate. You can sign up for the topical updates via our [website](#).

And if you need a particular issue, case, or piece of legislation tracked, we can do that, too, by setting up alerts on your behalf. Ask a librarian if you would like us to create emailed alerts for you.

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### **What Happens If There Are Insufficient Assets to Pay Creditors?**

Typically, secured creditors will recoup the most because their claims are secured by real estate, equipment or other assets. A secured creditor can simply assert its rights against the secured collateral. This can take the form of a:

- Real estate foreclosure
- Repossession of vehicles or equipment
- Court-appointed receiver to take control of business operations and divert all assets to the primary secured creditor

However, unsecured creditors may be left with little or nothing after secured claims are paid. If there are assets remaining after paying secured creditors, the corporation may offer pro rata payments to unsecured creditors. In this situation, the corporation will analyze its remaining credit claims and offer to pay a certain percentage. The corporate officers, or an attorney, will offer this pro rata settlement by letter with instructions on how to respond.

Many times, the offer of pro rata payments must be accepted by all creditors for the offer to be effective. Creditors are not obligated to accept the offer, but any offer should be weighed against the likelihood of successful collection action against the dissolving corporation. Creditors that opt out of the pro rata offer most likely will need to proceed with a lawsuit and obtain a judgment to collect.

### **What About Tax Liabilities?**

While a corporation is not required to liquidate all claims completely in order to suc-

cessfully wrap up affairs, all taxes must be paid and all tax returns must be filed.

Ohio Revised Code § 1701.86(H)(2) requires that domestic for-profit corporations first obtain a Certificate of Tax Clearance from the Department of Taxation in order to voluntarily dissolve and file a Certificate of Dissolution (Form 561) with the Secretary of State.

To obtain the Certificate of Tax Clearance, corporate taxpayers must submit Form D5 “Notification of Dissolution or Surrender” to the Department of Taxation after all applicable final returns are filed. The Department will then review all tax accounts associated with the corporation to determine if there are any outstanding tax liabilities or filings. *All* outstanding tax liabilities and filings need to be paid and/or completed before a Certificate of Tax Clearance will be issued. In addition, all business entities must close their accounts with the Ohio Department of Taxation to avoid further billing and assessments that would impede dissolution.

Dissolving a corporation requires more than just taking down your shingle and moving to greener pastures. The law provides a framework for how affairs must be wrapped up. Failure to follow these guidelines can lead to personal liability for corporate officers, further tax liability and more. If you want to properly wrap up your business, marshal your remaining assets and pay the bills.

<sup>1</sup> *N.J. State. Ann § 14A:12-9(1); §351.486 R.S. Mo.; Va. Code Ann. § 13.1-752; Utah Code Ann § 16-10a-1405; (5) Tex Tax Code § 171.255; 805 ILCS 5/3.20; KRS § 27113.14-050; Fla. Stat. § 607.1421; Mont.*

*Code. Anno. § 35-1-935.*

<sup>2</sup> Ohio Revised Code § 1701.87(D).

For more information, contact [Andrew C. Voorhees, Esq.](#)

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## Family Law Clinic

Law Library personnel have contributed to a collaborative effort to launch a Family Law Clinic housed at Domestic Relations Court. The Law Library joined with the Legal Aid Society of Greater Cincinnati, the Volunteer Lawyers Project (VLP), and the Hamilton County Domestic Relations Court in providing access to justice for low-income litigants and efficiencies for the court. Lauren Morrison, outreach librarian, attended planning meetings, created video tutorials that guide people through filling out forms, and authored a supplemental legal research guide. Mary Jenkins, library director, created the Clinic's promotional and recruiting material. The Clinic opened in June and is staffed by volunteers on Tuesdays and Thursdays. The volunteer lawyers provide brief consultation and guidance on process and forms. Read more from [WVXU's coverage](#).



## Spirit of Law Librarianship Award

Mary Jenkins, director of the Hamilton County Law Library, and Jessie Wallace Burchfield, Director of the Law Library at UALR, were awarded the Roy M. Mersky Spirit of Law Librarianship Award for Public Service at the 2016 meeting of the American Association of Law Libraries. The award is presented annually to give special recognition to individual law librarians engaged in significant acts of charitable work or community or social service. Mary is engaged in various civic activities in her neighborhood of Westwood, including the coordination of a business district revitalization effort and a violent crime reduction initiative.

## Cheese! Photographs for the Website

We will give library users a flash drive for getting photos taken in the library for use on our website. We'd like to add photos of people using library materials and equipment to supplement the existing photos of locations and things. Will you help? It will just take a few minutes of your time. [Contact us to schedule a time.](#)

## Law Library Board Meeting

The Hamilton County Law Library Resources Board will meet on Thursday, August 18, 2016 at 12:00 noon in the Robert S. Kraft Board Room to address compensation and policy matters. Meetings of the Board are open to the public.

## Subscriber Benefits

All subscribers have access to the following valuable resources and services:

Circulation privileges to borrow from over 40,000 print volumes for up to six weeks at a time

Access to extensive legal information databases from the Law Library, including Lexis Advance, Shepards', Westlaw, Intelli-Connect, Lexis Digital Library e-books, HeinOnline, and Loislaw treatises

Wireless network throughout the Law Library

Polycom videoconferencing

Five meeting rooms with speaker phones

Professional reference service by our law librarians, available via e-mail, telephone, and in person

Free document delivery by fax or e-mail of print and electronic materials

CLE seminars throughout the year, on legal research and substantive topics

Subscribers' lounge, magazines, daily newspapers, and coffee

Bi-weekly news alerts by practice area

Discounted rates for photocopying

In addition, solos and attorneys whose firm has a subscription have 24 hour remote access to Fastcase.com case law, Aspen/LOISLaw treatises, HeinOnline (for under 50 attorney firms), EBSCOhost, and Intelli-Connect Law, Business, Tax, and Accounting

An add-on plan for Lexis access is available for subscribers in solo practice

## You and the Legal System: What You Should Know About Nursing Homes

Attorney Mark Napier is our next speaker in the *You and the Legal System* series for the public. Mr. Napier will discuss Nursing Homes on Friday, August 19 at noon in the Law Library. The discussion will focus on general information about nursing homes, federal and state laws that apply to nursing homes, how to properly complain about a nursing home, and how to pursue a claim on behalf of a loved one who you believe has been injured or killed while in a nursing home due to negligence.

The program is free to the public. To register, call 513.946.5300 or register via our website at <http://lawlibrary.hamiltoncountyohio.gov/event-registration/?ee=81>

Please note that this is not a CLE event; it is intended for the general public. However, attorneys are welcome to attend and may want to pass along the program announcement to clients, staff and community organizations. If you would like more information, please contact [Laura Dixon-Caldwell](#).

*You and the Legal System* is brought to you as a public service by the Hamilton County Law Library, in conjunction with the Cincinnati Bar Association's Lawyer Referral Service. Save the date for the next event on our *You and the Legal System* on September 16. Speaker TBA.

## Lexis Digital Library

Law Library subscribers now have access to the following ebooks from Lexis. If you have questions, or have a suggestion for a title to add, contact the reference staff at [reference@cms.hamilton-co.org](mailto:reference@cms.hamilton-co.org) or 513.946.5300

Anderson's Appellate Practice and Procedure in Ohio

Anderson's Ohio consumer law manual

Anderson's Ohio creditor's rights manual

Anderson's Ohio criminal practice and procedure

Anderson's Ohio domestic relations practice manual

Anderson's Ohio family law handbook

Anderson's manual of criminal complaints and indictments

Anderson's Ohio personal injury litigation manual

Anderson's Ohio school finance

Anderson's Ohio school law manual

Anderson's the simple will in Ohio

Cross-Examination: Science and Techniques

Discovery in construction litigation  
Entertainment industry contracts :  
negotiating and drafting guide

Judicial conduct and ethics

Ohio annotated probate laws handbook

Ohio annotated workers compensation law handbook

Ohio bankruptcy handbook

Ohio business entities

Ohio criminal law handbook

Ohio evidence : 2015 courtroom manual

Ohio Juvenile law handbook

Ohio real property law and practice

Ohio rules of court annotated

Ohio traffic law handbook

A practical guide to disputes between adjoining landowner-easements

Search and seizure

Sixth circuit criminal handbook

Understanding criminal law

Understanding family law

Understanding modern real estate transactions

Weissenberger's Ohio Evidence Treatise

Weisenberger's Ohio Civil Litigation Procedure Manual

## Upcoming Events:

August 19: You and the Legal System: Nursing Homes

August 31: CLE: Legal Ethics & Access to Justice: Professional Conduct in Pro Bono Work

September 8: CCH IntelliConnect Tips and Tricks

September 13: CLE: Competency to Stand Trial vs. Competency to Waive Miranda Rights: Distinct Tests, Distinct Standards

## Law Library Holidays

The Law Library will be closed on Monday, September 5 in observance of Labor Day.



# August 2016 Law Library Newsletter

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ADDRESS CORRECTION REQUESTED

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