



NASS

National Association
of Secretaries of State

BUSINESS FILING FRAUD

**A Report for State
Business Filing
Agencies**

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Overview of the Business Filing Process

In most states, the Secretary of State is responsible for overseeing the filing process for business entities, including formation documents to create new entities, periodic reports for existing entities, and various other filings used to update or amend an entity's registration information or status. These documents are often filed online through the state business filing system. Since business filings are considered public records, states make those documents available for the public to search and view online.

The information required in business formation documents and/or periodic reports can vary depending on the state and the type of entity being created but often include: the entity's name and principal office address; the name and address of the entity's registered agent; the names and addresses of officers/directors (for corporations) or members/managers (for Limited Liability Companies or LLCs); and the names and addresses of the incorporators (for corporations) or organizers (for LLCs).

Generally, when submitting a business filing to the Secretary of State, the individual submitting the document must affirm under penalty of perjury that the individual is authorized to file the document and the information in the document is true and correct.

In most states, the Secretary of State's business filing role is ministerial, and the office serves only as the official repository for business records. As long as the basic filing requirements are met, the office may have little or no authority to question or reject a document submitted for filing or to verify information included in the filing.

Business entities must remain in compliance with ongoing filing obligations to remain in good standing (e.g. filing periodic reports on time). In many states, if an entity is out of compliance for a certain duration, the Secretary of State may administratively dissolve the entity (or take similar action depending on the state). An administratively dissolved entity can file for reinstatement if it resumes compliance with the applicable requirements. In most states, an application for reinstatement must be filed within a certain period following dissolution, which varies by state. Additionally, a business entity may be dissolved voluntarily by the entity itself or judicially by a court.

Business Filing Fraud

In recent years, several states have reported issues with fraudulent business filings. This includes cases where an individual submits an unauthorized filing to alter an existing, legitimate business entity's registration information (e.g. address, officers, registered agent, etc.) and then uses the altered information to obtain loans or lines of credit or to facilitate a variety of other criminal activities. This form of business filing fraud, sometimes referred to as "business identity theft" or "business hijacking" can also include situations where an individual submits an unauthorized filing to reinstate a dissolved (or otherwise inactive) business entity and alters the entity's business registration information as part of that process. Business filing fraud can likewise involve the fraudulent formation of new business entities using false information or the personal information of another individual without authorization.

The National Association of Secretaries of State (NASS) first addressed the issue of business identity theft in 2011 after several states reported cases involving unauthorized changes to online business records. NASS recognizes business identity theft and other forms of business filing fraud continue to be a problem as criminals seek to exploit state business filing systems to facilitate criminal activities that are becoming increasingly complex.

Challenges in Dealing with Business Filing Fraud

There are several limitations on the ability of Secretary of State offices to address business filing fraud. As previously noted, in most states, the Secretary of State's business filing role is ministerial, and the office may not have the authority to question or reject a filing. Additionally, many offices do not have the authority or resources to investigate reports of fraudulent filings or establish a formal complaint process. As a result, the actual scope and prevalence of business filing fraud is difficult to quantify.

To the extent a Secretary of State's office is made aware of an unauthorized or fraudulently filed document, those complaints are often referred to the appropriate law enforcement agency. Additionally, the office may be limited in its ability to take corrective action on the fraudulent filing. If an unauthorized change has been made to an existing, legitimate entity's registration information or status, the Secretary of State's office may lack the authority to restore or correct the record. Instead, the affected entity may need to submit new filings or obtain a court order to correct or remove the unauthorized filing. Also, in some cases where it is alleged that business registration information was changed without authorization, the change may be the result of a genuine dispute among parties associated with the entity.

Furthermore, while many Secretaries of State offices have the authority to administratively dissolve a business entity that fails to meet ongoing filing obligations, most offices do not have the authority to dissolve fraudulently formed entities, and dissolution of those entities may require court action.

As discussed below, several states have recently adopted new laws, or are able to utilize existing laws, to address the above limitations on the Secretary of State's authority to address fraudulent business filings.

State Efforts to Address Business Filing Fraud

Despite the challenges Secretary of State offices face in dealing with business filing fraud, a number of states have taken steps to address the issue. For example, in a recent NASS survey of member offices, the 20 states that responded indicated the following efforts related to business filing fraud:

- 11 states have implemented password protection or other verification measures for the online business filing system. Most of those states indicated those measures are required.
- 13 states provide a notification (e.g. email or text) option to alert a business entity of any new business filings related to that entity.

- Seven states utilize fraud detection or data analysis tools to identify potentially fraudulent business filings or payment transactions. Many of these states indicated that they utilize a commercial tool, and some also noted they conduct a manual review of chargebacks or other payment issues.
- 12 states track complaints related to business filing fraud or otherwise monitor the prevalence of fraudulent business filings.
- Several states have recently adopted new legislation to specifically address business filing fraud, while others are able to utilize existing laws and procedures.
- Several states are seeking legislation and/or additional funding to address business filing fraud, including for efforts such as enhanced fraud detection and risk assessment tools, formal complaint procedures, implementation of login/password protections, verification of business filing information, and/or increased authority for the office to take action on fraudulent filings.

As noted above, several states have adopted new laws, or utilize existing laws and procedures, to address business filing fraud (see Appendix). Some of these new laws and policies include provisions that provide the Secretary of State with greater authority to address the issue. For example:

- Colorado, Connecticut, Indiana, Minnesota, Ohio, and Tennessee have established a formal complaint mechanism for fraudulent business filings, including a process to investigate complaints and take corrective action when a filing is found to be fraudulent. Connecticut also authorizes the Secretary of State to verify information included in business filings, authenticate the identity of an individual submitting a business filing and reject filings that cannot be verified or authenticated.
- New Hampshire allows an individual impacted by a fraudulent filing to submit a sworn statement and authorizes the Secretary of State to cancel filing found to be fraudulent or unauthorized.
- Pennsylvania authorizes the Department of State to reject a business filing if the Department believes the document is being filed fraudulently or may be used for a fraudulent purpose.
- Vermont authorizes the Secretary of State to reject filings where the information submitted is false or fraudulent and provides a process for corrective action to be taken where a business filing is found to be fraudulent.
- Wyoming authorizes the Secretary of State to administratively dissolve an entity that has provided false or fraudulent information to its registered agent, building on existing authority of the Secretary of State to dissolve corporations for submitting false information in official filings.

Several of the recent state laws related to business filing fraud also contain other provisions designed to address the issue. For example:

- Colorado, Connecticut, New Hampshire, and Ohio specifically prohibit fraudulent/unauthorized business filings, with violations subject to penalties under state law.
- Colorado requires registered agents to verify state residency, and Connecticut authorizes the Secretary of State to require proof of a registered agent's name and address.
- Colorado requires an affidavit with photo identification to cure a delinquent entity (after five years) or reinstate a dissolved entity (after two years).
- Indiana requires a third-party filer to verify the identity of a person on whose behalf the third-party is filing a biennial report.

Additionally, some states may be able to utilize existing laws or procedures to address business filing fraud. For instance, Maine authorizes the Secretary of State to refuse a filing, or remove a filing from the record, if the Secretary of State reasonably believes the record is false or fraudulent. Moreover, Wyoming's Secretary of State has interpreted state law to allow filing Articles of Correction to restore a business's true information after an unauthorized filing hijack its records, thereby correcting the public record without a new statutory process.

Further, several states use fraud detection and data analysis tools to address business filing fraud. As a case in point, Indiana utilizes a commercial tool for transaction risk assessment and has account security policies through the tool that indicates when to block a user from additional online filings. Additionally, North Carolina utilizes both proprietary tools and commercial tools to prevent and uncover fraudulent filings and flag suspicious activity. The state is also exploring the use of artificial intelligence (AI) tools as part of these efforts.

It should also be noted many offices regularly utilize press releases, social media, and official websites to alert business owners about business filing fraud trends. For instance, Mississippi recently issued an alert to warn businesses of an increase in cases involving the creations of fraudulent entities using another person's name, address, or other personal information without authorization.ⁱ Furthermore, several offices include information on their websites about how to prevent, detect, and respond to business identity theft.ⁱⁱ

Conclusion

Business filing fraud is an issue that persists as bad actors seek to exploit the business filing process to carry out a variety of criminal activities. Secretary of State offices face numerous challenges in dealing with this issue, including limitations to their authority under state law. Despite these challenges, however, several states have taken steps to prevent and respond to business filing fraud, including through increased public awareness efforts, enhanced security measures to access online business filings, as well as new state laws that expand the authority of the Secretary of State to investigate and act on fraudulent business filings.

APPENDIX: Summary of State Laws Regarding Fraudulent Business Filings

The information below provides a summary of state laws and policies pertaining to fraudulent business filings. This includes recent state legislation specifically designed to address business filing fraud, as well as existing laws and policies that can be utilized to address the issue. This information is based on state statutes, as well as responses to a recent NASS survey of member offices. It should be noted that other states not reflected below may also have laws or policies which can be used to address business filing fraud. For specific insight into state laws, please contact the respective state directly. The [NASS membership roster](#) reflects contact information and state websites for initial outreach.

Coloradoⁱⁱⁱ

Colorado recently passed legislation that includes the following provisions related to business filing fraud:

- Prohibits including a person's name or address in a business filing without their consent, and the filing of documents without authorization. Violations are subject to penalties.
- Authorizes an individual affected by a fraudulent or unauthorized filing, or a law enforcement agency, to file a complaint with the Secretary of State. The Secretary of State must review the complaint and forward it to the Attorney General if the Secretary determines the complaint indicates a violation of the fraudulent filing law. If the Attorney General determines the complaint should be investigated, the Attorney General must provide the entity at issue with "notice and demand." If the entity does not respond to the "notice and demand," or an administrative law judge finds that a violation has occurred, the Secretary of State must take the following actions:
 - If an entity was created without authorization or for fraudulent purposes, the Secretary of State must: mark the business record with a notice that the entity is unauthorized or fraudulent and is declared delinquent; redact each name and address that was used without authorization from the entity's filing and any other relevant filings; and disable additional filing functionality on the entity's records.
 - If an unauthorized filing was made for a legitimate entity, the Secretary of State must: mark each unauthorized filing for the entity to notify the public the filing is unauthorized; redact each address and name used without authorization in the entity's filing and other relevant filings; and mark the business record to notify the public that the entity has been the victim of fraudulent or unauthorized acts.
- Specifies the registered agent address submitted in a business filing may not include a United States or commercial post office box.

- Requires a registered agent who is an individual hold a valid Colorado driver's license or state identification or otherwise verify the individual's residency status.
- Requires a registered agent that is a business entity to be in good standing in Colorado.
- Requires an entity that has been delinquent for five years or longer to file an affidavit and provide photo identification to cure the delinquency.
- Requires a business entity that has been dissolved for two years or longer to file an affidavit and provide photo identification in order to be reinstated.

Connecticut^{iv}

Connecticut recently passed legislation which includes the following provisions to address and prevent business filing fraud:

- Prohibits using a person's name or address in a business filing without the person's written consent. Violations are subject to criminal penalties.
- Authorizes the Secretary of State to verify data submitted to the business registration system and confirm the information has been transmitted with the authorization of the relevant entity. The Secretary may prevent and reject the submission of data that cannot be authenticated. If the Secretary finds any data submitted cannot be verified, the Secretary may administratively dissolve, forfeit, revoke, or cancel the business entity.
- Authorizes the Secretary of State to take the following measures:
 - Authenticate the identity of a person submitting a business filing, and any email addresses and telephone numbers provided in connection with the filing.
 - Requires proof a business entity is authorized to use the address included in the filing as the principal business address.
 - Require all addresses submitted in business filings be valid according to the United States Postal Service
- Authorizes the Secretary of State to require proof of the legal name and address of the registered agent (who is an individual) included in a business filing. Also prohibits use of a post office box for a registered agent.
- Requires a registered agent that is a business to be in good standing in Connecticut.

Indiana^v

State law authorizes the Secretary of State to issue an interrogatory to a business entity to enable the Secretary to ascertain whether the entity was formed using suspected fraudulent or alternate filings or is being used to commit fraud. If the entity fails to respond, the Secretary may remove fraudulent filings from the records for the entity or administratively dissolve or revoke the entity's registration.

In application Indiana has been pursuing three activities both in practice and additional rules:

1. Increase awareness with and contact information for a Governing Person of an entity to allow for greater connectivity by email and interrogatory when a suspected or reported fraudulent act occurs.
2. Requirement for third party filers to identify people on whose behalf they file. This information is required on request by our office.
3. Provide a new “contact address” for defined virtual business whose owners use a residence as their POA to promote greater inclusion of direct connection contact information whether they direct file or use a third party.

These changes in rules are effective 1-1-2026.

Our office encourages reporting through a formal complaint process using state form 57737 and manual human review of most filings. We are exploring new AI assisted review tools with planned upgrades currently being incorporated in our INBiz site rebuild.

Additionally, Indiana recently passed legislation which tightened the definition of "principal office" These items make the office's existing fraud review procedures more effective as it can deny businesses that form using UPS store addresses or similar inaccurate/invalid principal office addresses, and it becomes harder for bad actors to get past the review by using a third-party filing service.

Our office and the state IOT use commercial tools for identity access and assessing transaction risk, which includes account security policies that indicate when to block a user from additional online filings. The office also has a policy for conducting a manual review of chargebacks and other payment issues and removing filings that had fraudulent payment information.

Kentucky^{vi}

State law authorizes the Secretary of State to issue interrogatories to determine compliance with state business entity laws and dissolve an entity or take other actions for failure to respond. The state has also taken specific action to address fraudulent business filings, including immediate removal from public view of any business entity reported as “bogus” that has provided a fake address pending receipt of answers to interrogatories to mitigate the risk of reliance by the public on a likely fake company.

Maine^{vii}

State law authorizes the Secretary of State to refuse a filing, or remove a filing from the record, if the Secretary of State determines the record was not authorized to be filed with the office, or the Secretary of State reasonably believes the record is false or fraudulent.

Minnesota^{viii}

Minnesota recently passed legislation (effective January 1, 2026) that includes the following provisions related to business filing fraud:

- Authorizes an individual to submit a declaration of wrongful filing to the Secretary of State if the individual believes an unauthorized document was filed with the intent to modify information in a business record, or to register a business using another person's name, address, or identity.
- The Secretary of State must review the declaration, and if the declaration is accepted, the Secretary must provide the complainant and the filer alleged to have made the wrongful filing with notice of the declaration. If the filer provides a response, the Secretary must further investigate the allegations and the information in the response and make a preliminary determination on whether the filing is fraudulent. The Secretary must provide the filer with notice of a preliminary determination.
- If the filer does not respond to the notice of declaration or preliminary determination, or the Secretary of State determines whether the filing is fraudulent after consideration of any response to the preliminary determination, the Secretary must issue a final order deeming the filing fraudulent.
- If the Secretary of State issues a final order deeming a filing fraudulent, the filing must be treated as if it never existed, and if the business was registered using a Minnesota resident's name, address, or identity without authorization, the business is deemed dissolved. The Secretary of State must mark the unauthorized filing or the business record as unauthorized or fraudulent and redact names and addresses that were used without authorization. The Secretary may also disable any additional filing function on the entity's record, or take other action deemed necessary to prevent further unauthorized filings, protect private information, or prevent misuse of unauthorized information.

Mississippi

State law authorizes the Secretary of State to administratively dissolve an entity that includes a misrepresentation of any material matter in any record submitted.^{ix} State law also authorizes the Secretary of State to refuse a filing within ten (10) days of the document's submission. If fraudulent activity is reported within the ten (10) day timeframe, the Secretary of State will refuse the filing and provide a written explanation of the reason for refusal. Additionally, the office conducts a review of filings for potential fraud when a chargeback on a payment has been made, and has the authority to administratively dissolve a limited liability company if it does not pay within sixty (60) days after the agency is due any fees. The office also prevents suspected fraudulent filers from submitting additional online filings.

New Hampshire^x

New Hampshire recently passed legislation (effective January 1, 2026) which includes the following provisions related to business filing fraud:

- Requires a registered agent who is a natural person to be a resident of the state, and requires a registered agent that is a business entity to be in good standing with the Secretary of State.
- Prohibits a business entity from designating a commercial post office box provider, virtual office, mail forwarding service, or similar service as its registered office address.
- Prohibits the following actions: including a person's name in a business filing without the person's knowledge or consent; including an address in a filing without the consent of the owner or occupant; and submitting an unauthorized filing to the Secretary of State. Violations are subject to penalties under state law.
- Authorizes an individual or business to submit a sworn statement if they know or suspect their identity or business information has been used to form a business entity without their knowledge or consent.
- Authorizes an individual or business to submit a sworn statement if an unauthorized party has submitted changes to their business information without their knowledge or consent.
- Authorizes the Secretary of State to cancel filings found to be unauthorized or fraudulent.

North Carolina

The state has a process in place to utilize amendatory filings or to administratively dissolve entities where a fraudulent filing can be established. An affidavit from a known prior filer is sufficient proof to resolve business identity theft cases involving an unauthorized filing. If the fraud is due to the creation of a business that is used to effectuate a fraud through "business spoofing," the office sends interrogatories requesting information confirming the legitimacy of the business. If the interrogatories go unanswered, the office has the authority to dissolve the entity. Additionally, the office has had a formal fraud complaint mechanism for a number of years, and filing a fraudulent document with the office is a misdemeanor.

Ohio^{xi}

Ohio recently passed legislation which includes the following provisions:

Fraudulent or Unauthorized Business Entity Filings

- Prohibits including a person's name or address in a business filing without their consent or submitting an unauthorized business filing. Violations are subject to criminal penalties.

- Authorizes an individual affected by a fraudulent or unauthorized filing to file a complaint with the Secretary of State.
 - The Secretary of State must review each complaint.
 - If the determination is made that the complaint should be investigated, the Secretary of State sends a “notice and demand” to the submitter of the business filing.
 - A response to the notice and demand is required within 21 days.
 - If the submitter fails to respond, the person is deemed to have conceded to the allegations in the notice and demand.
 - Persons adversely affected by the outcome may appeal the determination in accordance with Ohio Revised Code Section 119.12.
- If an entity was created without authorization or for fraudulent purposes, the Secretary of State will take the following actions:
 - Cancel the formation filing and any subsequent filings on record.
 - Prevent the submission of any additional filings on the business record.
 - Redact the names and/or addresses that were used without consent from the public record.
 - Replace the images associated with the filings with an image that states the Secretary of State determined the filing to be unauthorized or fraudulent.
 - A copy of the original image is maintained by the Secretary of State, but it is not available through the public search.
- If an unauthorized filing was submitted on an existing entity, the Secretary of State will take the following actions:
 - Cancel the unauthorized filing.
 - Redact the data that was added to the business record without authorization.
 - Revert the data to what it was prior to the fraudulent filing.
 - Revert the status of the business to what it was prior to the fraudulent filing, if the status was changed due to the unauthorized filing.
 - Replace the image associated with the filing with an image that states the Secretary of State determined the filing to be unauthorized or fraudulent.
 - A copy of the original image is maintained by the Secretary of State, but it is not available through the public search.

Registered Agent Address Requirements

- Requires the registered agent address to be the agent’s primary residence in the state (if an individual), or the agent’s usual place of business.
- P.O. Boxes and Commercial Mail Receiving Agencies (CMRAs) are not allowed as registered agent addresses.

Reinstatement Limitation

Limits the reinstatement period to two years after a business is canceled by the Secretary of State.

Oregon^{xii}

State law authorizes the Secretary of State to investigate potential violations of state business entity laws, including through the use of interrogatories, and dissolve an entity or take other actions for failure to comply with an order from the Secretary of State. State law also authorizes the Secretary of State to withdraw business filings that could have been refused at the time of filing.

Pennsylvania^{xiii}

State law authorizes the Department of State to reject a document for filing if the Department reasonably believes the document is being filed fraudulently, or may be used to accomplish a fraudulent, criminal, or unlawful purpose.

Tennessee^{xiv}

Tennessee recently passed legislation that include the following provision related to business filing fraud:

- Authorizes a person who contends the person's name or address was included on a business filing without consent to file a complaint with the Secretary of State. If the complaint meets the statutory requirements, the Secretary must notify the entity listed in the complaint no later than 10 business days after receiving the complaint. A response to the complaints may be filed with the Secretary no later than 21 days after notice is sent by the Secretary. If the Secretary does not receive a response, the Secretary must deem the allegations in the complaint admitted.
- If, after reviewing the complaint and each response, the Secretary of State determines the complaint shows clear and convincing evidence that the name and address of the person challenging the filing was included in a filing without the person's consent, the Secretary must void the challenged business record. If the Secretary does not find clear and convincing evidence, the Secretary must not take action. The person submitting the complaint, and each person responding to notice of the complaint, may seek judicial review of the Secretary's decision.

Vermont^{xv}

Vermont recently passed legislation that authorizes the Secretary of State to reject a business filing if the Secretary determines the filing contains false, fraudulent, or clearly erroneous information. The law also authorizes the Secretary of State to amend a business record or terminate the business registration of a person who the Secretary determines, after notice and opportunity for hearing, has submitted false or fraudulent information in a record, or has attempted or submitted a record for filing in bad faith, without lawful authority, or to commit fraud or cause injury.

Wyoming^{xvi}

State law authorizes the Secretary of State to administratively dissolve a business entity for filing false or fraudulent information with the state (or for failing to correct false information upon the Secretary of State's request). In 2025, Wyoming further expanded these grounds to include providing false or fraudulent information to the entity's registered agent. The Secretary of State is also authorized to deny reinstatement of a dissolved entity that was the subject of a fraud investigation or if there is reason to believe the entity engaged in illegal operations. Wyoming has actively exercised these powers; for example, in 2025 the Secretary of State moved to dissolve XIONGJUN Inc. (Filing ID 2025-001583610) after determining the company had falsely listed an address as its registered agent and principal office in its filings.

Additionally, the Secretary of State has interpreted state law to allow filing Articles of Correction to restore a business's true information after an unauthorized filing hijack its records, thereby correcting the public record without a new statutory process.

Additional Questions? Contact NASS: nass@nass.org | 202-624-3525

Endnotes

ⁱ Mississippi Secretary of State. (2025, June 6). *WARNING: Increase in Fraudulent Business Filings* [Press release]. <https://www.sos.ms.gov/press/warning-increase-fraudulent-business-filings>

ⁱⁱ For example, [California](#), [Colorado](#), [Florida](#), [Georgia](#), [Iowa](#), [Michigan](#), [Montana](#), [Nebraska](#), [Ohio](#), [Oregon](#), [Rhode Island](#), [Texas](#), [Washington](#), and [West Virginia](#).

ⁱⁱⁱ See Colo. Rev. Stat §§ 7-90-314, 7-90-701, 7-90-901, 7-90-904, 7-90-1003

^{iv} See Conn. Gen. Stat. §§ 3-99e, 3-99f, 3-99g

^v See Ind. Code §§ 23-0.5-7-1, 23-0.5-7-4, 23-0.5-1.5-4.2, 23-0.5-1.5-29, 23-0.5-2-1, 23-0.5-2-13, 23-0.5-2.5

^{vi} See Ky. Rev. Stat. Ann. §§ 14A.1-040, 14A.1-050

^{vii} See 5 Me. Rev. Stat. Ann. § 90-F

^{viii} See Minn. Stat. §§ 300.70 – 300.78

^{ix} See Miss. Code. Ann. § 79-29-821

^x See N.H. Rev. Stat. Ann. §§ 5:15-d, 293-A:1.30, 293-A:1.39,

^{xi} See Ohio Rev. Code Ann. §§ 111.243, 1701.07

^{xii} See Or. Rev. Stat. Ann. §§ 56.080, 60.032, 63.032

^{xiii} See 15 Pa. Stat. § 136

^{xiv} See Tenn. Code. Ann. § 48-251

^{xv} See Vt. Stat. Ann. tit. 11, § 1638

^{xvi} See Wyo. Stat. Ann. §§ 17-16-1420, 17-16-1422