

17-6423. Dividends; method of payment. No corporation shall pay dividends except in accordance with this act. Dividends may be paid in cash, in property or in shares of the corporation's capital stock. If the dividend is to be paid in shares of the corporation's theretofore unissued capital stock, the board of directors shall, by resolution, direct that there be designated as capital in respect of such shares an amount which is not less than the aggregate par value of par value shares being declared as a dividend and, in the case of shares without par value being declared as a dividend, such amount as shall be determined by the board of directors. No such designation as capital shall be necessary if shares are being distributed by a corporation pursuant to a split-up or division of its stock rather than as payment of a dividend declared payable in stock of the corporation.

History: L. 1972, ch. 52, § 50; L. 1988, ch. 99, § 20; Revived and amend., L. 1988, ch. 100, § 20; L. 1992, ch. 270, § 9; L. 2004, ch. 143, § 22; Jan. 1, 2005.