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BILL



ANALYSIS

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House Bill 4512 (Substitute S-4)
Sponsor: Representative Gary L. Randall
House Committee: Commerce
Senate Committee: Financial Services

Date Completed: 2-21-96

CONTENT

The bill would amend the Business Corporation Act to revise the information required to be included in a corporation's annual report. The bill is tie-barred to Senate Bill 143, which also would amend the Business Corporation Act regarding the filing of annual reports.

The Act requires that each domestic corporation and each foreign corporation file a report with the administrator (the Director of the Department of Commerce) no later than May 15 of each year. The bill would delete all of the following from the list of information required, under the Act, to be included in a corporation's annual report:

- The state and date of incorporation; term of corporate existence, if other than perpetual; and, if a foreign corporation, the date when authorized to transact business in Michigan.
- For domestic corporations, the total number of authorized shares.
- The nature and book value of the property owned and used by the corporation listed separately as to property within and outside of Michigan.
- A complete and detailed statement of the corporation's assets and liabilities as shown by its books, at the close of business on December 31 or upon the date of the close of its latest fiscal year.
- Other information as the administrator reasonably requires.

The bill would retain the requirement that an annual report contain all of the following:

- The corporation's name.
- The name of the corporation's resident agent and address of its registered office in Michigan.
- The names and residence addresses of the corporation's president, secretary, treasurer, and directors.
- The general nature and kind of business in which the corporation is engaged.
- For each foreign corporation authorized to transact business in Michigan, the total number or authorized shares and the most recent percentage used in computing the tax required by the Single Business Tax Act.

If there were no changes in the information provided in the last report filed, the corporation could file a report that certified to the administrator that no changes in the required information occurred

since the last filed report. The report would have to be on a form approved by the administrator and filed by the date required for the filing of an annual report.

MCL 450.1911

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: M. Barsch

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.