

Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

**SFA****BILL ANALYSIS**

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

Senate Bills 593, 594, and 595 (as introduced 7-10-01)  
Sponsor: Senator Bill Bullard, Jr.  
Committee: Finance

Date Completed: 4-23-02

### **CONTENT**

The bills would amend three statutes to delete provisions that prevent the dissolution of a corporation until it does not owe any sales, use, or income tax. Senate Bill 593 would amend the General Sales Tax Act; Senate Bill 594 would amend the Use Tax Act; and Senate Bill 595 would amend the Income Tax Act. Senate Bill 593 is tie-barred to Senate Bill 595.

Currently, each of those Acts requires the State to withhold the issuance of a certificate of dissolution or withdrawal for a corporation organized under Michigan laws, or those of another state and admitted to do business in Michigan, until all taxes levied (under the respective Act) against the corporation have been paid, or until it is determined that the corporation is not indebted for any taxes levied under the Act. The bills would delete these provisions.

MCL 205.65 (S.B. 593)  
205.95 (S.B. 594)  
205.451 (S.B. 595)

Legislative Analyst: George Towne

### **FISCAL IMPACT**

The bills would tend to simplify the procedures for dissolving a corporation, with some reduction in workload for the Department of Consumer and Industry Services. Department of Treasury staff indicate that the bills would have no impact on Treasury workload or revenue collections.

The bills would have no fiscal impact on local government.

Fiscal Analyst: Elizabeth Pratt  
Jessica Runnels

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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.