

SENATE BILL No. 820

November 7, 2001, Introduced by Senators GARCIA, SIKKEMA, BULLARD, SCHUETTE, STEIL and GOSCHKA and referred to the Committee on Financial Services.

A bill to amend 1982 PA 162, entitled "Nonprofit corporation act," by amending sections 801, 831, 915, 922, and 925 (MCL 450.2801, 450.2831, 450.2915, 450.2922, and 450.2925), section 915 as amended by 1996 PA 84.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 801. (1) A corporation may be dissolved in any of the
2 following ways:

3 (a) Automatically by expiration of a period of duration to
4 which the corporation is limited by its articles of
5 incorporation.

6 (b) By action of the incorporators or directors ~~pursuant~~
7 ~~to~~ UNDER section 803.

8 (c) By action of the shareholders, members, or the board
9 ~~pursuant to~~ UNDER section 804.

1 (d) By action of a shareholder or member ~~pursuant to~~ UNDER
2 section 805.

3 (e) By a judgment of the circuit court in an action brought
4 ~~pursuant to~~ UNDER this act or otherwise.

5 (f) Automatically, ~~pursuant to~~ UNDER section 922, for
6 failure to file an annual report, ~~or~~ pay ~~the~~ AN annual filing
7 fee IF REQUIRED UNDER THIS ACT, or PAY a penalty added to ~~the~~
8 AN ANNUAL fee.

9 (2) A corporation whose assets have been wholly disposed of
10 under court order in receivership or bankruptcy proceedings may
11 be summarily dissolved by order of the court having jurisdiction
12 of the proceedings. ~~A~~ THE CLERK OF THE COURT SHALL FILE A copy
13 of the order ~~shall be filed~~ with the administrator. ~~by the~~
14 ~~clerk of the court.~~

15 Sec. 831. A corporation is dissolved when any of the fol-
16 lowing occurs:

17 (a) The period of duration stated in the corporation's arti-
18 cles of incorporation expires.

19 (b) A certificate of dissolution is filed pursuant to sec-
20 tions 803 to 805.

21 (c) A judgment of forfeiture of corporate franchises or of
22 dissolution is entered by a court of competent jurisdiction.
23 ~~and~~ THE RECEIVER OR OTHER PERSON DESIGNATED BY THE COURT SHALL
24 PROMPTLY FORWARD a copy of a judicial order of dissolution ~~shall~~
25 ~~be forwarded promptly~~ to the administrator. ~~by the receiver or~~
26 ~~other person designated by the court.~~

1 (d) Failure to file an annual report, or pay an annual
2 filing fee IF REQUIRED UNDER THIS ACT, as provided in section
3 922.

4 Sec. 915. (1) ~~A~~ SUBJECT TO SUBSECTION (2), A CORPORATION
5 SHALL FILE AN ANNUAL report required under section 911 ~~shall be~~
6 ~~filed~~ with the administrator together with a \$10.00 filing fee.

7 (2) IF THE ANNUAL REPORT MEETS SECTION 911(3), A CORPORATION
8 SHALL FILE AN ANNUAL REPORT REQUIRED UNDER SECTION 911 WITH THE
9 ADMINISTRATOR, BUT IS NOT REQUIRED TO PAY A FILING FEE WITH THE
10 ANNUAL REPORT.

11 Sec. 922. (1) ~~If a~~ A domestic corporation THAT neglects
12 or refuses for 2 consecutive years to file ~~the~~ ANY annual
13 ~~reports~~ REPORT or pay ~~the~~ ANY annual filing fee required by
14 law ~~, the corporation shall be~~ IS automatically dissolved. The
15 administrator shall notify the corporation of the impending dis-
16 solution not later than 90 days before the ~~2 years has expired~~
17 2-YEAR PERIOD EXPIRES. Until a corporation ~~has been~~ IS dis-
18 solved, it is entitled to issuance by the administrator, upon
19 request, of a certificate of good standing setting forth that it
20 has been validly incorporated as a domestic corporation and that
21 it is validly in existence under the laws of this state.

22 (2) If a foreign corporation neglects or refuses for 1 year
23 to file the annual report or pay ~~the~~ ANY annual filing fee
24 required by law, its certificate of authority is subject to revo-
25 cation in accordance with section 1042. Until revocation of its
26 certificate of authority or its withdrawal from this state or
27 termination of its existence, the foreign corporation is entitled

1 to issuance by the administrator, upon request, of a certificate
2 of good standing setting forth that it has been validly autho-
3 rized to transact business in this state and that it holds a
4 valid certificate of authority to transact business in this
5 state.

6 Sec. 925. (1) A domestic corporation ~~which has been~~ THAT
7 IS dissolved ~~pursuant to~~ UNDER section 922(1), or a foreign
8 corporation whose certificate of authority ~~has been~~ IS revoked
9 ~~pursuant to~~ UNDER section 922(2) or section 1042, may renew its
10 corporate existence or its certificate of authority by filing the
11 reports for the last 5 years or any lesser number of years in
12 which the reports were not filed and paying ~~the~~ ANY annual
13 filing fees REQUIRED UNDER THIS ACT for all the years for which
14 they were not paid, together with a penalty of \$5.00 for each
15 delinquent report. Upon filing the reports and payment of the
16 fees and penalties, the corporate existence or the certificate of
17 authority is renewed. If during the intervening period the cor-
18 porate name or a confusingly similar name has been assigned to
19 another corporation, the administrator may require that the cor-
20 poration adopt or use within this state a ~~different~~ CORPORATE
21 name THAT CONFORMS TO THE REQUIREMENTS OF SECTION 212.

22 (2) Upon compliance with the provisions of this section, the
23 rights of the corporation ~~shall be~~ ARE the same as though a
24 dissolution or revocation ~~had~~ HAS not taken place, and all con-
25 tracts entered into and other rights acquired during the interval
26 ~~shall be~~ ARE valid and enforceable.