

SENATE BILL No. 822

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

A bill to amend 1972 PA 284, entitled
"Business corporation act,"
by amending sections 801, 817, 831, 915, 922, and 925 (MCL
450.1801, 450.1817, 450.1831, 450.1915, 450.1922, and 450.1925),
sections 801 and 817 as amended by 1997 PA 118, sections 831 and
925 as amended by 1989 PA 121, section 915 as amended by 1996 PA
196, and section 922 as amended by 1993 PA 91.

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 under
7 section 803.

1 (c) By action of the board and the shareholders under
2 section 804.

3 (d) Pursuant to an agreement under section 488, effected by
4 filing a certificate under section 805.

5 (e) By a judgment of the circuit court in an action brought
6 under this act or otherwise.

7 (f) Automatically, under section 922, for failure to file an
8 annual report or pay ~~the~~ AN ANNUAL filing fee IF REQUIRED UNDER
9 THIS ACT.

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

16 Sec. 817. (1) When the certificate of revocation of disso-
17 lution or of renewal of existence is filed, the revocation of the
18 dissolution proceedings or the renewal of the corporate existence
19 becomes effective, and the corporation may again transact its
20 business.

21 (2) Revocation of dissolution or renewal of corporate exis-
22 tence does not relieve the corporation of any penalty or liabil-
23 ity accrued against it under any law of this state, and the cor-
24 poration shall file any report and pay any fee OR PENALTY
25 required under this act for any year for which a report was not
26 filed or a fee OR PENALTY was not paid.

1 (3) Upon filing a certificate of revocation of dissolution
2 or renewal of existence, the administrator may require the
3 corporation to adopt a corporate name that conforms to the
4 requirements of section 212.

5 (4) Upon compliance with the provisions of this section, the
6 rights of the corporation are the same as though a dissolution or
7 expiration of term had not occurred, and all contracts entered
8 into and other rights acquired during the interval are valid and
9 enforceable.

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

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

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

16 (c) A judgment of forfeiture of corporate franchises or of
17 dissolution is entered by a court of competent jurisdiction.

18 ~~and~~ THE RECEIVER OR OTHER PERSON DESIGNATED BY THE COURT SHALL
19 PROMPTLY FORWARD a copy of a judicial order of dissolution ~~shall~~
20 ~~be forwarded promptly~~ to the administrator. ~~by the receiver or~~
21 ~~other person designated by the court.~~

22 (d) Failure to file an annual report, or pay an annual
23 filing fee, IF REQUIRED UNDER THIS ACT, as provided in section
24 922.

25 Sec. 915. (1) ~~The~~ SUBJECT TO SUBSECTION (2), A CORPORA-
26 TION SHALL FILE AN ANNUAL report required under section 911

1 ~~shall be filed~~ with the administrator together with a \$15.00
2 filing fee.

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

7 Sec. 922. (1) ~~If a~~ A domestic corporation THAT neglects
8 or refuses FOR 2 CONSECUTIVE YEARS to file any annual report or
9 pay any annual filing fee or ~~a~~ penalty added to the fee
10 required by law ~~, and the neglect or refusal continues for a~~
11 ~~period of 2 years from the date on which the annual report or~~
12 ~~filing fee was due, the corporation shall be~~ IS automatically
13 dissolved 60 days after the expiration of the 2-year period. The
14 administrator shall notify the corporation of the impending dis-
15 solution not later than 90 days before the 2-year period ~~has~~
16 ~~expired~~ EXPIRES. Until a corporation ~~has been~~ IS dissolved,
17 it is entitled to issuance by the administrator, upon request, of
18 a certificate of good standing setting forth that it has been
19 validly incorporated as a domestic corporation and that it is
20 validly in existence under laws of this state.

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

1 upon request, of a certificate of good standing setting forth
2 that it has been validly authorized to transact business in this
3 state and that it holds a valid certificate of authority to
4 transact business in this state.

5 Sec. 925. (1) A domestic corporation ~~which has been~~ THAT
6 IS dissolved under ~~subsection (1) of~~ section ~~922~~ 922(1), or a
7 foreign corporation whose certificate of authority ~~has been~~ IS
8 revoked under ~~subsection (2) of~~ section ~~922~~ 922(2) or section
9 1042, may renew its corporate existence or its certificate of
10 authority by filing the reports and paying ~~the~~ ANY fees
11 REQUIRED UNDER THIS ACT for the years for which they were not
12 filed and paid, and for every subsequent intervening year,
13 together with the penalties provided by section 921. Upon filing
14 the reports and payment of the fees and penalties, the corporate
15 existence or the certificate of authority is renewed. The admin-
16 istrators may require the corporation to adopt or use within this
17 state a corporate name that conforms to the requirements of
18 section 212.

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