

SENATE BILL No. 113

January 29, 2003, Introduced by Senators GARCIA, PATTERSON, CROPSEY, Van WOERKOM, GOSCHKA, BISHOP, JELINEK and CASSIS and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

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 to~~
7 **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 **required under this act**, or **pay** a penalty added to ~~the~~ **an**
8 **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
16 following occurs:

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

19 (b) A certificate of dissolution is filed pursuant to
20 sections 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.~~

27 (d) Failure to file an annual report, or pay an annual filing

1 fee **required under this act**, as provided in section 922.

2 Sec. 915. (1) ~~—A~~ **Subject to subsection (2), a corporation**
 3 **shall file an annual** report required under section 911 ~~—shall be~~
 4 ~~filed~~ with the administrator together with a \$10.00 filing fee.

5 (2) **If the annual report meets section 911(3), a corporation**
 6 **shall file an annual report required under section 911 with the**
 7 **administrator, but is not required to pay a filing fee with the**
 8 **annual report.**

9 Sec. 922. (1) ~~—If a~~ **A** domestic corporation **that** neglects
 10 or refuses for 2 consecutive years to file ~~—the~~ **any** annual
 11 ~~—reports~~ **report** or pay ~~—the~~ **any** annual filing fee required by
 12 law ~~—, the corporation shall be~~ **is** automatically dissolved. The
 13 administrator shall notify the corporation of the impending
 14 dissolution not later than 90 days before the ~~—2 years has~~
 15 ~~expired~~ **2-year period expires**. Until a corporation ~~—has been~~
 16 **is** dissolved, it is entitled to issuance by the administrator,
 17 upon request, of a certificate of good standing setting forth
 18 that it has been validly incorporated as a domestic corporation
 19 and that it is validly in existence under the laws of this
 20 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
 23 required by law, its certificate of authority is subject to
 24 revocation in accordance with section 1042. Until revocation of
 25 its certificate of authority or its withdrawal from this state or
 26 termination of its existence, the foreign corporation is entitled
 27 to issuance by the administrator, upon request, of a certificate

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

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

21 (2) Upon compliance with the provisions of this section, the
22 rights of the corporation ~~shall be~~ **are** the same as though a
23 dissolution or revocation ~~had~~ **has** not taken place, and all
24 contracts entered into and other rights acquired during the
25 interval ~~shall be~~ **are** valid and enforceable.