

SENATE BILL No. 167

February 11, 2003, Introduced by Senators GARCIA, KUIPERS, BISHOP, CASSIS, McMANUS, CROPSEY, TOY, JELINEK, VAN WOERKOM, STAMAS and ALLEN and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

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 section
7 803.

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

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
17 dissolution or of renewal of existence is filed, the revocation
18 of the dissolution proceedings or the renewal of the corporate
19 existence becomes effective, and the corporation may again
20 transact its business.

21 (2) Revocation of dissolution or renewal of corporate
22 existence does not relieve the corporation of any penalty or
23 liability accrued against it under any law of this state, and the
24 corporation 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.

27 (3) Upon filing a certificate of revocation of dissolution or

1 renewal of existence, the administrator may require the
2 corporation to adopt a corporate name that conforms to the
3 requirements of section 212.

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

9 Sec. 831. A corporation is dissolved when any of the
10 following occurs:

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

13 (b) A certificate of dissolution is filed pursuant to
14 sections 803 to 805.

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

17 ~~and The receiver or other person designated by the court shall~~
18 ~~promptly forward~~ a copy of a judicial order of dissolution ~~shall~~
19 ~~be forwarded promptly~~ to the administrator. ~~by the receiver or~~
20 ~~other person designated by the court.~~

21 (d) Failure to file an annual report, or pay an annual filing
22 fee, **if required under this act**, as provided in section 922.

23 Sec. 915. (1) ~~The~~ **Subject to subsection (2), a corporation**
24 **shall file an annual** report required under section 911 ~~shall be~~
25 ~~filed~~ with the administrator together with a \$15.00 filing fee.

26 (2) **If the annual report meets section 911(3), a corporation**
27 **shall file an annual report required under section 911 with the**

1 administrator, but is not required to pay a filing fee with the
2 annual report.

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

17 (2) If a foreign corporation neglects or refuses for 1 year
18 to file the annual report or pay ~~the~~ **any** annual filing fee or
19 ~~a~~ penalty ~~added to the fee~~ required by law, its certificate
20 of authority is subject to revocation in accordance with section
21 1042. Until revocation of its certificate of authority, or its
22 withdrawal from this state or termination of its existence, the
23 foreign corporation is entitled to issuance by the administrator,
24 upon request, of a certificate of good standing setting forth
25 that it has been validly authorized to transact business in this
26 state and that it holds a valid certificate of authority to
27 transact business in this state.

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

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