

Act No. 212
Public Acts of 2005
Approved by the Governor
November 21, 2005
Filed with the Secretary of State
November 21, 2005
EFFECTIVE DATE: January 1, 2006

**STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2005**

Introduced by Senators Kuipers, Bishop, George, Stamas, Garcia, Cropsey, Jelinek, Goschka and Sanborn

ENROLLED SENATE BILL No. 298

AN ACT to amend 1972 PA 284, entitled "An act to provide for the organization and regulation of corporations; to prescribe their duties, rights, powers, immunities and liabilities; to provide for the authorization of foreign corporations within this state; to prescribe the functions of the administrator of this act; to prescribe penalties for violations of this act; and to repeal certain acts and parts of acts," by amending section 1062 (MCL 450.2062), as amended by 1997 PA 118.

The People of the State of Michigan enact:

Sec. 1062. (1) A domestic corporation or cooperative association, organized for profit, or a domestic regulated investment company, at the time of filing its articles of incorporation, shall pay 1 of the following to the administrator as an initial organization and admission fee:

- (a) For 60,000 or fewer authorized shares, \$50.00.
- (b) For more than 60,000 and fewer than 1,000,001 authorized shares, \$100.00.
- (c) For more than 1,000,000 and fewer than 5,000,001 authorized shares, \$300.00.
- (d) For more than 5,000,000 and fewer than 10,000,001 authorized shares, \$500.00.

(e) For more than 10,000,000 authorized shares, \$500.00 plus an additional \$1,000.00 for each additional 10,000,000 authorized shares or portion of 10,000,000 authorized shares in excess of the initial 10,000,000 authorized shares.

(2) The initial admission fee of a foreign corporation for profit and foreign regulated investment company applying for admission to do business in this state is \$50.00 and 60,000 shares are considered initially attributable to this state at the time of admission.

(3) Every corporation incorporated under the laws of this state that increases its authorized shares, at the time of filing its amendment to the articles of incorporation, shall pay 1 of the following additional organizational fees:

- (a) For an increase of 60,000 or fewer authorized shares, \$50.00.
- (b) For an increase of more than 60,000 and less than 1,000,001 authorized shares, \$100.00.
- (c) For an increase of more than 1,000,000 and less than 5,000,001 authorized shares, \$300.00.
- (d) For an increase of more than 5,000,000 and less than 10,000,001 authorized shares, \$500.00.

(e) For an increase of more than 10,000,000 authorized shares, \$500.00 plus an additional \$1,000.00 for each additional 10,000,000 authorized shares or portion of 10,000,000 authorized shares in excess of the initial 10,000,000 authorized shares.

(4) A foreign corporation authorized to transact business in this state that increases the number of authorized shares attributable to this state shall file an amended application in accordance with section 1021 and shall pay 1 of the following additional admission fees:

- (a) For an increase of 60,000 or fewer authorized shares attributable to this state, \$50.00.
- (b) For an increase of more than 60,000 and less than 1,000,001 authorized shares attributable to this state, \$100.00.
- (c) For an increase of more than 1,000,000 and less than 5,000,001 authorized shares attributable to this state, \$300.00.

(d) For an increase of more than 5,000,000 and less than 10,000,001 authorized shares attributable to this state, \$500.00.

(e) For an increase of more than 10,000,000 authorized shares attributable to this state, \$500.00 plus an additional \$1,000.00 for each additional 10,000,000 authorized shares attributable to this state or portion of 10,000,000 authorized shares attributable to this state in excess of the initial 10,000,000 authorized shares attributable to this state.

(5) The number of authorized shares attributable to this state is determined by multiplying the total number of authorized shares by the most recent apportionment percentage used in the computation of the tax required by the single business tax act, 1975 PA 228, MCL 208.1 to 208.145. If the business activities are confined solely to this state, the total number of authorized shares are considered attributable to this state.

(6) The administrator is authorized to require a corporation to furnish detailed and exact information relating to the determination of fees before making a final determination of the organization or admission franchise fee to be paid by the corporation.

(7) As used in this section, "corporation" includes a partnership association limited, a cooperative association, a joint association having any of the powers of a corporation, and a common law trust created by a statute of this state, another state, or a country exercising common law powers in the nature of a corporation, whether domestic or foreign, in addition to other corporations as are referred to in this act.

(8) If the capital of a corporation is not divided into shares, a fee for purposes of this section is determined as if the corporation had 60,000 shares.

(9) If a foreign corporation authorized to transact business in this state merges into a domestic corporation or consolidates with 1 or more corporations into a domestic corporation by complying with this act, the resulting domestic corporation shall pay an organization and admission fee for any increase in authorized shares or for any authorized shares as provided in this section, less the amount that the merging or consolidating foreign corporation previously paid to this state under this section as an initial or additional admission fee.

Enacting section 1. This amendatory act takes effect January 1, 2006.

Enacting section 2. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

- (a) Senate Bill No. 533.
- (b) Senate Bill No. 664.
- (c) Senate Bill No. 665.
- (d) Senate Bill No. 666.
- (e) Senate Bill No. 667.
- (f) House Bill No. 5047.
- (g) House Bill No. 5048.
- (h) House Bill No. 5109.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Dany E. Randall

Clerk of the House of Representatives

Approved

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Governor