

Legislative Analysis



WAIVE DOMESTIC LIMITED LIABILITY COMPANY FEES FOR VETERANS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4701 as introduced
Sponsor: Rep. Holly Hughes
Committee: Military and Veterans Affairs
Complete to 10-2-17

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4701 would amend the Michigan Limited Liability Company Act to require that LARA waive the required \$50 fee for filing initial articles of organization for a domestic limited liability company if a majority of the initial membership interests in the company will be held by veterans.

To request a fee waiver, the person submitting the initial articles of organization for filing would need to submit to LARA the following:

- A signed affidavit requesting the fee waiver and certifying that a majority of the initial membership interests will be held by veterans.
- Copies of form DD214 or form DD215, or any other form satisfactory to LARA for each veteran who will be an initial member of the limited liability company.

The term "veteran" would be defined to mean that term as it is defined in Section 1 of Public Act 190 of 1965, which would include an individual who served in the US Armed Forces or the Reserves and who was discharged or released honorably.

MCL 450.5101

FISCAL IMPACT:

This bill would have an indeterminate, reduction in revenue for the Department of Licensing and Regulatory Affairs. The size of the fiscal impact would depend upon the extent to which new domestic limited liability companies held by a veteran or a board, a majority of which consists of veterans, are created. Corporation fees are annually appropriated by the Legislature to support the general, ongoing operations of the Department of Licensing and Regulatory Affairs. According to the U.S. Census Bureau, Michigan is estimated to be home to approximately 672,000 veterans and approximately 72,000 veteran-owned businesses.

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