

SUBSTITUTE FOR
SENATE BILL NO. 982

A bill to amend 1883 PA 129, entitled
"An act for the organization of telephone and messenger service
companies,"

(MCL 484.1 to 484.10) by adding section 7.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) A telephone corporation formed under this act may
2 convert into a domestic limited liability company if the telephone
3 corporation satisfies the requirements applicable to the conversion
4 of a business organization into a domestic limited liability
5 company under section 709 of the Michigan limited liability company
6 act, 1993 PA 23, MCL 450.4709. A telephone corporation that
7 converts into a domestic limited liability company under this
8 subsection is treated as a corporation for state income tax filing

purposes as provided under section 339 of the income tax act of 1967, 1967 PA 281, MCL 206.339, unless that converted entity is a disregarded entity for federal income tax filing purposes under the internal revenue code and its regarded owner is treated as a corporation for state and federal income tax purposes.

(2) As used in this section, "business organization" means that term as defined in section 705a of the Michigan limited liability company act, 1993 PA 23, MCL 450.4705a.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 102nd Legislature are enacted into law:

(a) Senate Bill No. 983.

(b) Senate Bill No. 984.

(c) Senate Bill No. ~~_____1050~~ ~~or House Bill No. _____~~ (request
no. 06940'24 *).