

## REVIEW PROCEDURES FOR C&S 530 - CERTIFICATE OF DISSOLUTION

Act 284, P.A. 1972; MCLA 450.1803; MSA 21.200(803)

Act 162, P.A. 1982; MCLA 450.2803; MSA 21.197(803)

Section 803 of Act 284, P.A. 1972 and of Act 162, P.A. 1982 provides for dissolving a corporation by action of the incorporators or directors if the corporation can comply with all of the following:

- a) it has not commenced business or affairs
- b) it has not issued any shares or, in the case of a nonprofit corporation organized on a nonstock basis, it has no members entitled to vote on dissolution
- c) it has no debts or other liabilities
- d) in the case of a stock corporation, it has received no payments on subscriptions for shares, or has returned any payments received less any part disbursed for expenses.
- e) in the case of a nonstock corporation, it has not received any payments on subscriptions for memberships, contributions or other funds, or has returned any payments received less any part disbursed for expenses.

Form C&S 530 may be used to dissolve a corporation pursuant to this section of statute.

The document must be reviewed to determine that it substantially complies with the Act. For example, it must conform to law and be consistent with attorney general opinions, guidelines and policies; it must be signed; fees must be paid; etc.

Following are specific items to be considered in determining whether or not the Certificate can be filed.

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
Except for the corporate name, the document must be in the English language. The corporate name need not be English words, but must be written in English letters or Arabic or Roman numerals.	BCA 132(1) NPA 132(1)
<b>ITEM 1</b>	
Must be completed with the name of the corporation. The name must be identical (spelling, abbreviations, and punctuation) to the name as it appears on the database.	BCA 803(2)(a) NPA 803(2)(a)
<b>ITEM 2</b>	
Must be completed with the identification number for the name in Item 1.	
<b>ITEM 3</b>	
Must reflect the registered office address as it appears on the database.	BCA 241 NPA 241
<b>ITEM 4</b>	
This statement is required and cannot be altered except to delete reference to "members" if a stock corporation or "shares" if a nonstock corporation.	BCA 803(2)(b) NPA 803(2)(b)

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SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
<b><u>ITEM 5</u></b>	
This statement is required and cannot be altered except to delete reference to "memberships, contributions or other funds from members or third parties" if a stock corporation" or "shares" if a nonstock corporation.	BCA 803(2)(c) BCA 803(2)(c)
<b><u>ITEM 6</u></b>	
This statement is required and cannot be altered or deleted.	BCA 803(2)(d) NPA 803(2)(d)
<b><u>EFFECTIVE DATE</u></b>	
An effective date, not more than 90 days after the date of receipt is permitted. The desired effective date must be reflected in the body of the document. Inserting it in the "Bureau Use Only" area is not sufficient.	BCA 131(3) NPA 131(2) Policy Statement C-19
<b><u>SIGNATURE</u></b>	
Must be signed by a majority of incorporators or directors.	BCA 803(2) NPA 803(2)
Must indicate if the signatures are those of incorporators or of directors. If "incorporators" is indicated, check the articles of incorporation to verify they are the same as the incorporators named in that document and that at least a majority of them have signed.	
A person may sign on behalf of an individual if they have a specific power-of-attorney to do so. An indication that the signature is that of an attorney-in-fact is not required.	Procedures re: Signatures
<b><u>FEES</u></b>	
Filing fee - \$10.00 (Nonrefundable for profit corporations)	BCA 1060(1)(g) & 1060(2) NPA 1060(1)(g) Policy Statement C-9 Policy Statement C-5 Policy Statement C-33
<b><u>MISCELLANEOUS</u></b>	
1) ATTORNEY GENERAL APPROVALS	
a) Approval from the Attorney General consenting to dissolution must be obtained for all nonprofit charitable purpose corporations. The Attorney General's office determines whether or not an approval is required; that determination is not made by the Bureau.	Act 169, P.A. 1965 (MCLA 450.251)
Approval of the Attorney General is not required for religious	

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<p>corporations or for corporations which state in the certificate or in an accompanying letter that they are not charitable corporations. Notification in letter form that a corporation is not charitable becomes part of the certificate.</p> <p>b) Examples of purposes requiring approval of the Attorney General at the time of dissolution include</p> <ol style="list-style-type: none"> <li>1) language incorporating Section 501(c)(3) of the Internal Revenue Code or any similar language.</li> <li>2) whenever the purpose clause contains the word "charitable" or any similar language. This is done even when the purposes are religious.</li> <li>3) the purpose clause indicates the corporation is formed to benefit some class of the public, and the classes of an indefinite number. This is not applicable if the class to be benefited is restricted to members of the corporation.</li> <li>4) the purposes are unclear as to whether any of the above apply.</li> </ol> <p>c) Attorney General approvals are not acceptable if more than 6 to 9 months old.</p> <p>d) Attorney General approval is not required for ecclesiastical corporations.</p> <p>e) All cemetery corporations, profit and nonprofit, must obtain approval from the Attorney General in connection with dissolution.</p> <p>f) Moose lodges are fraternal and noncharitable in nature. They do not require Attorney General approval to dissolve.</p> <p>g) A "conditional" approval from the Attorney General is acceptable.</p> <p>2) The only previously dissolved corporations which can file certificates of dissolution are those nonprofit charitable purpose corporations which have already obtained approval from the Attorney General. All others must first reinstate or renew their existence.</p>	<p>Office memorandum dated 10-23-81</p> <p>Sec. 1, Act 169, P.A. 1965 External Policy re Charitable Trusts</p> <p>External Policy re Charitable Trusts MCLA 456.106a per Mr. Irving Feldman, Assistant A.G. on 9-15-65 MCLA 450.251 per Mr. Ed Bladen, Assistant A.G. in conversation with Polly Detzler on 2-20-70</p> <p>Letter from Attorney General dated 6-1-77</p> <p>Office memorandum dated 12-2-87</p> <p>Special Opinion 207 dated 7-21-70</p>