

STATE OF MICHIGAN

Entrepreneur's Guide



**Michigan Department of
Licensing and Regulatory Affairs
Corporations, Securities & Commercial Licensing Bureau**

Corporations Division
www.michigan.gov/corporations

Corporations Division

PO Box 30054

Lansing, Michigan 48909-7554

Corporations Division Phone Number (517) 241-6470

Information about specific entities, name availability, forms, and other information from the Corporations Division is available on the website, by phone, in person, or by mail.

Certified copies of documents and Certificates of Good Standing may be requested at www.michigan.gov/corporderform. Fees may be paid by VISA, MasterCard, or Discover.

Copies and certificates may also be ordered by phone, in person, or mail. Submit Certification and Copies Request, form [CSCL/CD-274](#), if you would like to place an order by mail.

Documents may be submitted for filing online, by mail, or in person.

Website (www.michigan.gov/corporations)

Information on the website regarding specific entities is updated daily and includes document images, date of incorporation/organization, resident agent, registered office address, assumed names, prior names, year of last annual report, year of report with officers and directors, and status. A search may be conducted by entity name, individual name, identification number assigned by the Corporations Division, or filing number of a specific filed document.

Electronic Filing

COFS: The Corporations Online Filing System (COFS) allows some Corporations Division documents and all annual reports and statements to be completed and submitted online through the Corporations Division's website at www.michigan.gov/corpfileonline. Documents can be submitted 24 hours a day, seven days a week.

In Person Service

The Corporations Division is located at 2501 Woodlake Circle, Okemos, Michigan and is open Monday through Friday from 8 a.m. - 5 p.m. EST/EDT. Computer terminals are available for customer use to view documents or to search records on the database, free of charge. Forms are also available. Documents and reports may be submitted for review, and copy and/or certificate requests can also be ordered.

Mail Services

Documents to be filed and orders for copies or certificates may be mailed to:

Corporations Division
P.O. Box 30054
Lansing, MI 48909-7554

Email Services

General information requests may be sent to CorpsMail@michigan.gov.

Profit Corporation Fees for Authorized Shares

The fees for initial authorized shares and increases in authorized shares for Michigan profit corporations and for authorized shares attributable to Michigan for foreign profit corporations* qualified to do business in Michigan are:

1-60,000	\$50
60,001-1,000,000	\$100
1,000,001-5,000,000	\$300
5,000,001-10,000,000	\$500
More than 10,000,000	\$500 for first 10,000,000 plus \$1000 for each additional 10,000,000, or portion thereof

*Foreign corporations only pay for the authorized shares attributable to Michigan. At the time of application for Certificate of Authority to do business in Michigan 60,000 shares are considered initially attributable to Michigan. Additional fee is due when shares attributable to Michigan increase. 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, or the Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601. If the business activities are confined solely to this state, the total number of authorized shares is considered attributable to this state.

24-HOUR, SAME DAY, 2-HOUR, AND 1-HOUR EXPEDITED SERVICE FOR DOCUMENTS

Expedited service is available for all documents for profit corporations, limited liability companies, limited partnerships, and nonprofit corporations.

Complete a separate Expedited Service Request, form [CSCL/CD-272](#), for each document for which expedited service is being requested.

24-hour service: Any document concerning an existing entity.....\$100
Formation documents and applications for certificate of authority..... \$50

Same day, other than 1 or 2 hour, must be received by 1 p.m. EST or EDT
Existing domestic entity or qualified foreign entity\$200
Formation documents and applications for certificate of authority.....\$100

2 hour on same day as request, must be received by 3 p.m. EST or EDT ...\$500

1 hour on same day as request, must be received by 4 p.m. EST or EDT.\$1000

The nonrefundable expedited service fee is in addition to the regular fees applicable to the specific document.

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INTRODUCTION

The purpose of this pamphlet is to inform you about the different business entities which exist under Michigan law. These different business entities include sole proprietorships, copartnerships, limited liability partnerships, limited partnerships, corporations, and limited liability companies. Each one of these business entities has its own advantages and disadvantages, and it is our belief that this pamphlet will help you choose the best business to fit your needs.

The Corporations, Securities & Commercial Licensing Bureau hopes that a greater understanding of the different business entities that can be chosen will help you avoid problems in the future and make the creation of your business as easy as possible. If any questions or problems arise, you are welcome to call or visit the Bureau.

This pamphlet is not intended to be a substitute for legal counsel. The advantages and disadvantages listed for the various types of entities are not an exhaustive list. There may be other advantages and disadvantages. In determining which type of business organization best meets the needs of the proposed business, and to fully understand the legal, business, tax and financial obligations for each type of organization, you should consult with an attorney, accountant, or other professional.

CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

The Corporations, Securities & Commercial Licensing Bureau (CSCL) supports business growth and job creation while protecting the health, safety, and welfare of Michigan's citizens through a simple, fair, efficient, and transparent regulatory structure. CSCL is organized by five major areas of responsibility: Bureau Administration and IT & Web Development; Corporations Division; Licensing Division; Securities & Audit Division; and Regulatory Compliance Division.

Bureau Administration and IT & Web Development responsibilities include: Overall Bureau policy direction; Informational Sales Program; Information Management Services; Administration IT programs, document imaging, and web design.

The Corporations Division administers statutes related to the formation, life, and dissolution of corporations, limited liability companies, limited partnerships and limited liability partnerships. The Corporations Division also administers the statutes for trademarks, service marks, insignias and empowerment zones. If a person desires to form one of these entities, qualify an existing entity to transact business or conduct affairs in Michigan, or register a mark or insignia they must submit the appropriate documents to the Corporations Division.

The Licensing Division administers statutes related to ten professions, private postsecondary schools, and cemeteries. The Division strives to provide timely customer service through processing applications and renewals, creating certifications of record, and assisting businesses and members of the public with informational inquiries.

The Securities & Audit Division's Audit Section conducts audits of the financial records of licensees who maintain trust or escrow accounts on behalf of the public to ensure compliance with applicable laws and rules. The Examination & Registrations Section conducts examinations of Investment Advisors and Broker Dealers to ensure compliance with the Michigan Uniform Securities Act (MUSA). Under the Living Care

Disclosure Act, Living care facilities are reviewed for the adequacy of their disclosures, fairness of advertising, and financial viability. The Division is responsible for coordination filings, qualification filings, and requests for exemptions, under the MUSA.

The Regulatory Compliance Division provides fair and uniform access to the Bureau's public records, and fair and equal due process to licensees and registrants accused of violating the statutes and rules administered by the Bureau by conducting compliance conferences and coordinating or undertaking legal representation of the Bureau at contested case proceedings. The Division drafts and serves the Bureau's administrative complaints, subpoenas and other legal pleadings or orders and ensures compliance with the resulting final orders.

CHOOSING A BUSINESS NAME

The legal structure selected for a business determines where the business is to file its name. Sole proprietorships and copartnerships file their names with the county clerk in the county in which their business is located, and also in any other county in which they transact business or have an office. The name standard applied to the names of sole proprietorships or copartnerships by the county clerk is that the name cannot be the same as or so similar to a name already on file with the county as to cause confusion or deception.

Limited partnerships, limited liability companies, and corporations are created by filing the appropriate documents with the Corporations Division. These entities must select a name that is distinguishable on the records of the administrator from other active names. The term distinguishable on the records of the administrator has been defined by guidelines. A name is distinguishable if it has a different sequence of letters or numbers from other names. Filing with the agency creates no substantive rights to the use of a name. The entity may wish to exercise care in selecting a name to avoid infringing on the names filed with the county clerk or filed with the Bureau by another limited partnership, limited liability company, or corporation, or being used by another entity as a trademark, service mark, or trade name. To protect any rights a business claims to its name, the business entity must police its name and respond to anyone who infringes on its rights.

SECURITIES LAW

The [Uniform Securities Act, 2008 PA 551](#), sets forth particular requirements for the offer and sale of securities. Securities include shares of stock in a corporation, limited partnership interests and other interests in profit sharing arrangements. Prior to offering or selling any security, the business should contact an attorney regarding the requirements of the statute. Questions regarding the registration or exemption of securities product offerings can be directed to the Securities and Audit Division by calling (517) 335-5237, by writing to the Securities and Audit Division, P.O. Box 30018, Lansing, MI 48909, or by email to CSCL-Securities&Audit-div@michigan.gov. Questions regarding the licensing of broker-dealers, securities agents, investment advisers, and investment adviser representatives can be directed to the Securities and

Audit Division by calling (517) 335-5237, by writing to the Securities and Audit Division, P.O. Box 30018, Lansing, MI 48909, or by email to CSCS-Securities&Audit-div@michigan.gov.

LIABILITY FOR TAXES

A business may be responsible for a variety of taxes. To obtain specific information regarding tax liability you should consult a tax expert. You may also contact the Internal Revenue Service, Michigan Department of Treasury, or your local unit of government for specific information regarding taxes you are required to pay.

Nonprofit organizations should contact a tax expert for assistance in determining tax liability and possible tax exemptions. Creation of a nonprofit corporation does not automatically create a tax exemption.

FILING AT THE COUNTY LEVEL

Some business organizations, including sole proprietorships and copartnerships, must file their name with the county clerk rather than with the state. The county clerk's office in counties where business will be conducted should be contacted for forms and filing fees.

SOLE PROPRIETORSHIP

A sole proprietorship is a business that is owned by one individual. The owner is personally responsible for all the debts of the business even in excess of the amount invested in the business. If the business operates under a name other than the individual's name, a "Certificate of Persons Conducting Business Under Assumed Name" must be filed with the county clerk in every county in which business is transacted. The certificate must include all of the following information:

- Name under which the sole proprietorship will transact business in the county.
- Name and business or residence address of the owner.
- The county or state where business was organized, if not organized in that county.
- Nature of the entity.

Name

The county in which the sole proprietorship is filing reviews the documents submitted and processes these if the documents meet certain standards including name availability. The proposed name of the sole proprietorship may not be available if it is misleading, confusing, or deceptively similar to the name of another business entity.

Advantages

1. Easiest to form
2. Low start up costs
3. Owner in direct control

Disadvantages

1. Unlimited liability to owners
2. Lack of continuity
3. Difficult to raise capital

COPARTNERSHIP

A copartnership is a legal entity that is jointly owned by two or more persons. The owners are personally responsible for all debts of the business, even debts in excess of the amount they invested in the business. Generally copartners enter into a written agreement governing the copartnership and an attorney should be consulted to prepare such an agreement. When forming a copartnership a “Certificate of Copartnership” or a “Certificate of Persons Conducting Business Under Assumed Name” must be filed with the county clerk in all the counties in which the business is to be conducted. The Certificate of Copartnership must include all of the following information:

1. - Name under which the copartnership will transact business in the county.
2. - The term of the copartnership
3. - Name and business or residence address of the partners.
4. - Nature of the entity.

Name

The county in which the copartnership is filing reviews the documents submitted and processes these if the documents meet certain standards, including name availability. The proposed name of the copartnership may not be available if it is misleading, confusing, or deceptively similar to the name of another business entity transacting business in that county. If the copartnership is to operate under one or more names other than its true name, it may also file those assumed names, pursuant to [1907 PA 101](#).

Changes in Business Structure

After the initial “Certificate of Copartnership” or “Certificate of Persons Conducting Business Under an Assumed Name” has been filed, changes may occur which will require the filing of additional documents such as change of name or address. These changes are filed with the county clerk’s office where the original document was filed. If you are doing business in more than one county, you would need to file this information in each county where you originally filed.

Advantages

1. Relatively easy to form
2. Low start up cost
3. Partners can provide additional capital
4. Broader management voice

Disadvantages

1. Unlimited liability to owners
2. Lack of continuity - terminates on death or withdrawal of partner

FILING AT THE STATE LEVEL

An existing partnership may register as a limited liability partnership by filing an application with the Corporations, Securities & Commercial Licensing Bureau. To create a limited partnership, corporation, or limited liability company, filing is required with the Bureau. Domestic organizations are those formed in Michigan and foreign organizations are those formed in another jurisdiction but operating within the state. In addition, all filings for foreign limited liability partnerships, limited partnerships, corporations, and limited liability companies are made with the Bureau.

Limited Liability Partnership

A limited liability partnership is a business entity that is formed by two or more persons. The owners of the partnership are personally liable for all debts of the business, except those debts resulting from acts committed by another partner or a representative of the partnership not working under the supervision or direction of the partner at the time the acts resulting in liability occurred. The joint and several liability of partners for debts and obligations of the partnership arising from other causes is not limited.

A partnership which has filed a "Certificate of Copartnership" or a "Certificate of Persons Conducting Business Under Assumed Name" with the county clerk of the counties in which the business is to be located may register the partnership as a limited liability partnership by filing with the Bureau. Form [CSCL/CD-800](#), to register a limited liability partnership, must include all of the following information:

- Name of the limited liability partnership, which must contain the words "Limited Liability Partnership" or the abbreviation "L.L.P." or "LLP" as the last words or letters of its name.
- The address of the partnership's principal office
- General nature of the partnership's business
- If the partnership is a foreign limited liability partnership, the registered agent and registered office in Michigan upon whom legal service of process may be served.

Name

Since limited liability partnerships are existing entities formed in various counties, names are not checked for availability at the time of registration. The Corporations Division reviews the application, and if it substantially conforms to the Act, registers the partnership as a limited liability partnership for one year. Renewal is required each year to maintain limited liability partnership status.

If a limited liability partnership desires to operate under one or more names other than its true name, a "Certificate of Persons Conducting Business Under Assumed Name" must be prepared and filed with the various counties in which the partnership is transacting business. The name of the limited liability partnership may not be available if it is misleading, confusing, or deceptively similar to the name of another business entity in that county.

Registered Agent and Registered Office

A registered agent and registered office must be named in the Application to Register a Limited Liability Partnership if the partnership is a foreign entity. A registered

agent is someone who is appointed by the partnership to receive any documents, notices, or demands served upon the company. The registered agent must be an individual of this state, a Michigan corporation, or a foreign corporation with a Certificate of Authority to transact business in Michigan.

Purpose

Any partnership, including limited partnerships, may register as a limited liability partnership. Partnerships may be formed to transact any lawful business.

Advantages

1. Some limited liability to partners
2. Relatively easy to form
3. Low start up cost
4. Partners can provide additional capital

Disadvantages

1. Some liability for partnership debts and general liability for own acts
2. Lack of continuity - terminates on death or withdrawal of partner
3. Divides authority among partners

Limited Partnership

A limited partnership is a partnership formed by two or more persons under the laws of Michigan and having one or more general partners and one or more limited partners. The general partners are liable for all the debts and obligations of the limited partnership, while limited partners are responsible only for the debts and obligations of the amount that they contributed. A limited partnership must have at least one general partner and one limited partner. One person may not form a limited partnership by being designated as the only limited and general partner.

In order to form a limited partnership, two or more partners, including all of the general partners, must execute a Certificate of Limited Partnership (form [CSCL/CD-401](#)). Existence of the limited partnership begins when the Certificate of Limited Partnership has been filed by the Bureau. A Certificate of Limited Partnership must include all of the following information:

- Name of the limited partnership, which must contain the words “Limited Partnership”.
- Resident Agent and Registered Office in Michigan upon whom legal service of process may be served.
- General nature of the partnership’s business.
- The term of the limited partnership.
- Name and business or residence address of each partner.
- Any agreements between partners regarding terminations, distribution of assets, dissolution and any other matters that the partners may decide to include.

Name

The Corporations Division reviews the documents submitted and files documents that substantially conform with the requirements of the Act. The proposed name of a

limited partnership must be distinguishable from the name of other domestic or foreign corporations, limited partnerships, or limited liability companies. The name also may not contain a word or phrase indicating it is organized for a purpose other than is stated in the Certificate of Limited Partnership.

In addition, the name of the limited partnership may only contain the name of a limited partner if 1) the name is also the name of a general partner or the corporate name of a corporate general partner, or 2) the business of the partnership had been carried on under that name before the admission of that limited partner. A limited partnership name may not include the words "corporation", "incorporated", or any abbreviation or derivative of those words.

If a limited partnership desires to operate under one or more names other than the partnership's true name, a Certificate of Assumed Name (form [CSCL/CD-541](#)) must also be filed. The assumed name must be distinguishable from the names of active limited partnerships, corporations or limited liability companies. The certificate of assumed name expires on December 31 of the fifth full calendar year following the year in which it was filed. A preprinted renewal form is mailed to the limited partnership address 90 days prior to expiration.

Prospective partners should wait until their certificate of limited partnership is filed before ordering or purchasing items such as signs, business cards and stationery to avoid problems that may arise due to a conflict with another entity's name.

To determine if a name is available, you may perform a preliminary search of the Business Entity Search database at www.michigan.gov/corpentitysearch or call the Corporations Division at (517) 241-6470. The search is a preliminary check and is not a guarantee that the name will be available when your documents are received.

If more time is needed to organize the limited partnership, the name may be reserved by filing an Application for Reservation of Name (form [CSCL/CD-540](#)) and paying the required fee. This reservation reserves the name for four months or six months depending on the entity type designated.

Resident Agent and Registered Office

A resident agent and registered office must be included in the Certificate of Limited Partnership. A resident agent is someone who is appointed by the limited partnership to receive any documents, notices, or demands served upon the partnership. The resident agent must be an individual resident of this state, a Michigan corporation, or a foreign corporation with a certificate of authority to transact business in Michigan. If a resident agent and registered office are not named in the certificate, the submitter will be contacted to obtain the information.

Purpose

A limited partnership may be formed for any legal purpose under the Michigan Revised Uniform Limited Partnership Act. The key to this section is to provide enough information to determine whether the purpose is legally permitted under Michigan law.

Changes in Business Structure

After the limited partnership is formed, changes may occur which will require the filing of additional documents to reflect these changes.

Amendments to the Certificate of Limited Partnership

The Certificate of Limited Partnership must be amended within 60 days after a change in the amount or character of any limited partner's contribution or obligation to contribute, the admission or withdrawal of a partner, or the continuation of the business after the withdrawal of a general partner. A Certificate of Amendment (form [CSCL/CD-403](#)) should be completed and filed to make any corrections or changes to the information contained in the Certificate of Limited Partnership.

Restated Certificate of Limited Partnership

Separate amendments to the Certificate of Limited Partnership may be integrated into a single document by filing a Restated Certificate of Limited Partnership (form [CSCL/CD-402](#)).

Mergers

One or more domestic limited partnerships may merge or consolidate with one or more domestic or foreign limited partnerships under a plan of merger or consolidation as provided in the Act. One or more domestic limited partnerships may merge into one or more business organizations if the requirements of the Act are satisfied. After the plan of merger is approved, a Certificate of Merger (form [CSCL/CD-550m](#)) must be filed with the Bureau by one or more general partners.

Certificate of Cancellation

After a limited partnership is dissolved and commences winding up its affairs, it is necessary to complete and file a Certificate of Cancellation (form [CSCL/CD-404](#)) to cancel the limited partnership.

Advantages

1. Limited liability to limited partners
2. Investment by limited partners is a potential source of venture capital
3. No management responsibility for limited partners

Disadvantages

1. Lack of management voice for limited partners
2. Unlimited liability to general partners
3. Divided authority if more than one general partner

Converting a Partnership to a Limited Liability Company

The Limited Liability Company Act permits domestic partnerships or domestic limited partnerships to convert to a limited liability company. The terms and conditions of the conversion shall be approved by the partners. The Articles of Organization and Certificate of Conversion ([CSCL/CD-753](#) or [CSCL/CD-753P](#)) are filed with the Bureau.

Foreign Limited Partnership

Foreign limited partnerships are those organized under the laws of any other state. Foreign limited partnerships that are "transacting business" in Michigan must first register with the Bureau. The term "transacting business" is a technical one given

meaning by court decisions based on the facts of the applicable case. The Revised Uniform Limited Partnership Act sets out particular activities, which in and of themselves do not constitute transacting business. In determining whether it is necessary to register, the limited partnership should look at the proposed activities in this state, the statute, and applicable court decisions. A booklet containing the statute is available from the Bureau.

A foreign limited partnership that does not register, but is transacting business in Michigan, may not sue in Michigan courts. Other legal and technical aspects of not filing should be discussed with an attorney.

If a registration is needed by a foreign limited partnership, an Application for Registration To Transact Business (form [CSCL/CD-411](#)) must be completed and filed with the Bureau's Corporations Division. The Certificate must include the following information:

- Name under which the limited partnership will transact business in Michigan.
- Name of resident agent and address of registered office in Michigan.
- General nature of business to be transacted.
- State and date of formation in its home state.
- Street address of main principal office.
- Name and address of each partner if not filed in state of organization.

Name

To determine if a name is available, you may perform a preliminary search of the Business Entity Search database at www.michigan.gov/corpenitysearch or call the Corporations Division at (517) 241-6470. The search is a preliminary check and is not a guarantee that the name will be available when your documents are received.

Changes in Business Structure

After a foreign limited partnership is registered, changes may occur which will require the filing of additional documents with the Corporations Division to keep your records current.

Change in Registration Information

If information in the Application for Registration was false or did not include the names and addresses of the partners when made or has changed, the foreign limited partnership is required to file a Certificate of Change (form [CSCL/CD-412](#)).

Cancellation of Registration

In the event a foreign limited partnership desires to cancel its registration, it is necessary to complete and file a Certificate of Cancellation (form [CSCL/CD-404](#)).

CORPORATIONS

A Corporation is an association of persons, created by law and existing as an entity with powers and liabilities independent of those of its members. In the case of profit corporations, its owners are shareholders. The owners of nonprofit corporations are members or sometimes shareholders. The management of a corporation consists

of directors and officers, usually elected by its shareholders or members. Governance of the corporation is prescribed by law, bylaws of the corporation, and the resolutions and decisions of its shareholders or members. In order to form a corporation, whether profit, nonprofit, or ecclesiastical, Articles of Incorporation (form [CSCL/CD-500](#) for profit, [CSCL/CD-502](#) for nonprofit, [CSCL/CD-503](#) for ecclesiastical) may be prepared and filed with the Bureau. The Articles of Incorporation must include all of the following:

- Name of the corporation.
- Profit corporations must include the word “Corporation”, “Incorporated”, “Company”, “Limited” or the abbreviation “Corp.”, “Ltd.”, “Inc.”, or “Co.” (with or without periods).
- Resident Agent and Registered Office in Michigan upon whom legal service of process may be served.
- General nature of the corporation’s business. An all purpose clause is permitted for profit corporations, except for professional service corporations.
- The term of the corporation, which may be perpetual.
- The number and class of shares to be issued.
- Name and business or residence address of the incorporators.
- Any agreements between incorporators regarding terminations, distributions of assets, dissolution and any other matters that the incorporators may decide to include.

Domestic Profit Corporation

Profit corporations may be formed in Michigan under the [Michigan Business Corporation Act](#) for any lawful purpose. When articles drafted by the incorporators have been filed by the Bureau, the corporation’s existence begins. Individuals acting as incorporators must be 18 years of age. However, they need not be United States citizens, residents of this state, shareholders, directors, officers, or employees of the corporation.

Domestic profit corporations are formed for the purpose of generating profit for shareholders. A corporation is generally composed of three classes of persons: shareholders, directors, and officers. The shareholders own the corporation, elect the directors, and have the right to vote on major events of the corporation. Directors are responsible for managing the corporation’s affairs. Officers are persons chosen by the board of directors to run the day-to-day operations of the corporation.

Name

The Corporations Division reviews the documents submitted and files documents that substantially conform with the requirements of the Act. The proposed name of a corporation must be distinguishable from the name of other domestic or foreign corporations, limited partnerships, or limited liability companies. The name may not contain a word or phrase indicating it is organized for a purpose other than is stated in the Articles of Incorporation.

If a corporation is to operate under one or more names other than the corporation's true name, a Certificate of Assumed Name (form [CSCL/CD-541](#)) must also be filed. The assumed name must be distinguishable from the names of active limited partnerships, corporations, or limited liability companies. The certificate of assumed name expires on December 31 of the fifth full calendar year following the year in which it was filed. A preprinted renewal form is mailed to the registered office address 90 days prior to expiration.

Prospective incorporators should wait until the articles are filed before ordering or purchasing items such as signs, business cards and stationery to avoid problems that may arise due to a conflict with another entity's name.

To determine if a name is available, you may perform a preliminary search of the Business Entity Search database at www.michigan.gov/corpenitysearch or call the Corporations Division at (517) 241-6470. The search is a preliminary check and is not a guarantee that the name will be available when your documents are received.

If more time is needed to organize the corporation, the name may be reserved for 180 days by filing an Application for Reservation of Name (form [CSCL/CD-540](#)) and paying the required fee.

Resident Agent and Registered Office

A registered office and resident agent must be included in the Articles of Incorporation. A resident agent is someone appointed by the corporation to receive any documents, notices, or demands served upon the corporation. The resident agent may be either an individual resident in this state whose business office or residence is identical with the registered office; a domestic corporation or a limited liability company; or a foreign corporation or limited liability company authorized to transact business in this state that has a business office identical with the registered office. If a resident agent and registered office are not named in the Articles of Incorporation, the submitter will be contacted to obtain the information.

Purpose

This provision may enumerate any purpose(s) for which a corporation may be formed or may contain a statement that the corporation may engage in activities within the purposes for which corporations may be formed under the Business Corporation Act, commonly called an “all purpose clause”. If a corporation is not going to use an “all purpose clause” then the key is to provide enough information to determine whether the company’s purpose is permitted under law.

Directors/Incorporators

The form requires the names and addresses of the incorporators. The incorporators appoint the initial board of directors to manage the business and affairs of the corporation. A director must be at least 18 years of age and need not be a U.S. citizen or Michigan resident or a shareholder unless the articles or by-laws so require.

One or more persons may act as the incorporator(s) of a corporation by signing the articles.

Shares

A corporation may issue the number of shares authorized in its Articles of Incorporation. The shares may be all of one class or may be divided into two or more classes. Information on authorized shares, classes of shares, shareholders’ pre-emptive rights, and details relating to the internal affairs of the corporation are also to be included in the Articles.

Domestic Nonprofit Corporation

Nonprofit corporations are those formed in which members or shareholders may not receive any profits of the corporation. A nonprofit corporation is formed under the [Nonprofit Corporation Act](#). Some purposes for which nonprofit corporations are commonly formed are those involving religious, educational, and charitable activities.

Name

The Corporations Division reviews the documents submitted and files documents that substantially conform with the requirements of the Act. The proposed name of a corporation must be distinguishable from the name of other domestic or foreign corporations, limited partnerships, or limited liability companies. The name also may not contain a word or phrase indicating it is organized for a purpose other than is stated in the Articles of Incorporation.

If a corporation is to operate under one or more names other than the corporation’s true name, a Certificate of Assumed Name (form [CSCL/CD-541](#)) must also be filed. The assumed name must be distinguishable from the names of active limited partnerships, corporations, or limited liability companies. The certificate of assumed name expires on December 31 of the fifth full calendar year following the year in which it was filed. A preprinted renewal form is mailed to the registered office address 90 days prior to expiration.

Prospective incorporators should wait until their articles are filed before ordering or purchasing items such as signs, business cards, and stationery to avoid problems that may arise due to a conflict with another entity’s name.

To determine if a name is available, you may perform a preliminary search of the Business Entity Search database at www.michigan.gov/corpenitysearch or call the Corporations Division at (517) 241-6470. The search is a preliminary check and is not a guarantee that the name will be available when your documents are received.

If more time is needed to organize the corporation, the name may be reserved by filing an Application for Reservation of Name (form [CSCL/CD-540](#)) and paying the required fee. The reservation reserves the name for six months.

Resident Agent and Registered Office

A registered agent and resident office must be included in the Articles of Incorporation. A resident agent is someone appointed by the corporation to receive any documents, notices, or demands served upon the corporation. The resident agent must be a Michigan resident, domestic corporation or a foreign corporation authorized to do business in Michigan. If a resident agent and registered office are not named in the Articles of Incorporation, the submitter will be contacted to obtain the information.

Purpose

The purpose of the nonprofit corporation must be specific. It must give enough information to make it clear what the corporation will do. Using the term “any lawful purpose” alone is not adequate and the document would be returned for clarification.

Members

If the corporation is to have members, indicate the qualifications of the members in the Articles of Incorporation or include them in the by-laws of the corporation. If the members of the nonprofit corporation are to be divided into classes, the relative rights and limitations of the different classes and their extent shall be indicated in the articles or set forth in the by-laws.

Details on meetings and voting are subjects that need not be included in the articles.

Board of Directors

Before or after the filing of the Articles of Incorporation, a majority of the incorporators shall select a board of directors. The shareholders or members own the corporation, elect the directors, and have the right to vote on major events of the corporation unless the corporation is formed on a Directorship basis, in which case the directors elect directors and have the only voting rights. Directors are responsible for managing the corporation’s affairs. Officers are persons chosen by the board of directors to run the day-to-day operations of the corporation.

Incorporators

Incorporators are the persons who sign the Articles of Incorporation. One or more persons may act as the incorporators of a nonprofit corporation. Individuals must be at least 18 years of age. Incorporators need not be U.S. citizens or residents of Michigan.

One or more persons may act as incorporator(s) of the corporation by signing the articles.

Annual Report

Every corporation is required to file an annual report each year, beginning the year after formation or qualification. The Bureau will send a pre-printed report to the corporation's resident agent at the registered office unless the corporation elects to receive notice electronically. The annual report is completed to report any changes in resident agent or registered office, the purposes, and the current officers and directors' names and addresses. If there are no changes from a previously filed report, the corporation can simply check the box provided certifying that there are no changes and the remainder of the form does not need to be completed. The annual report must be signed by an authorized officer or agent and returned with the appropriate filing fee. The report may be filed online at www.michigan.gov/corpfileonline.

If a corporation does not file an annual report for two consecutive years, the result is an automatic dissolution under the Act.

Changes in Business Structure

After the initial formation documents have been filed, changes may occur which will require the filing of additional documents with the Corporations Division.

Changes to Article of Incorporation

If changes are desired to be made to the Articles of Incorporation, the changes can be made by filing a Certificate of Amendment (form [CSCL/CD-515](#) for profit and nonprofit or [CSCL/CD-516](#) for ecclesiastical) with the Bureau. Reasons for amending the Articles of Incorporation include changes in the name, purpose, or registered office street address. If the Articles of Incorporation have been previously amended, the separate amendments may be integrated into one document by filing Restated Articles of Incorporation (form [CSCL/CD-510](#) for profit, [CSCL/CD-511](#) for nonprofit, or [CSCL/CD-512](#) for ecclesiastical).

Changes in Resident Agent or Registered Office

To change the resident agent or the address of the registered office, a Certificate of Change of Registered Office/Agent (form [CSCL/CD-520](#)) may be completed and filed.

Mergers

Two or more domestic corporations may merge into one of the corporations pursuant to a plan of merger approved under the Act. One or more domestic profit corporations may merge into one or more business organizations if the requirements of the Act are satisfied. A profit corporation may transfer in the certificate of merger any assumed names of the nonsurvivor business organization, or adopt the nonsurvivor name or names as new assumed names. For profit corporations, Certificate of Merger (form [CSCL/CD-550m](#)) or form [CSCL/CD-551](#) (parent/subsidiary)) may be completed.

Two or more domestic nonprofit corporations may merge or consolidate into a new corporation pursuant to a plan of merger or consolidation approved in the manner provided by the Act. A Certificate of Merger/Consolidation (form [CSCL/CD-550](#)) may be completed.

Conversions

The Business Corporation Act allows a domestic corporation to convert into a business organization or a business organization to convert into a domestic corporation.

A domestic profit corporation may convert into a domestic limited liability company pursuant to the Business Corporation Act and the Michigan Limited Liability Company Act. The terms and conditions of the conversion must be approved by the incorporators, if the corporation has not commenced business, or the Board of Directors, if the corporation has commenced business. The Certificate of Conversion and Articles of Organization ([CSCL/CD-554](#) and [CSCL/CD-700](#)) are filed with the Bureau.

There are other entity conversions which are permitted by statute but are not included on Corporations Division forms, in which case a Certificate of Conversion must be drafted to comply with the relevant statutory provisions.

Dissolution

There are six methods to dissolve a corporation. They are as follows:

- 1) By action of the incorporators or directors
- 2) By action of the board and shareholders
- 3) Pursuant to an agreement under section 488, effected by filing a certificate under section 805.
- 4) By expiration of term
- 5) By not filing annual reports for two years
- 6) By judgment of a circuit court

The dissolution of a corporation by action of the board or shareholders requires the filing of a Certificate of Dissolution (form [CSCL/CD-530](#) or [531](#)). A tax clearance must be requested from the Michigan Department of Treasury within 60 days of filing the dissolution. Nonprofit charitable purpose corporations must obtain a letter of consent to the dissolution from the Michigan Attorney General before the dissolution can be

filed. The dissolution of a corporation is a complex process and an attorney should be consulted. You may also wish to review our [Dissolution](#) brochure.

Advantages

1. Limited liability for owners/members
2. Interest/ownership easily transferable
3. Continuous existence

Disadvantages

1. May be more expensive to organize than sole proprietorship
2. More extensive record keeping required

Foreign Corporation

A foreign corporation is one that is incorporated under laws other than the laws of this state. A foreign corporation, whether profit or nonprofit, is required to obtain a Certificate of Authority if it is “transacting business” or “conducting affairs” in this state. These terms are technical and decisions to apply for a certificate of authority should be based on proposed activities in this state, the statute, and applicable court decisions. A booklet containing the statute is available from the Bureau. If a Certificate of Authority is required, the corporation should file an Application for Certificate of Authority (form [CSCL/CD-560](#)). All of the following information must be included on the application.

- Name of the corporation.
- Resident agent and registered office in Michigan.
- Character of the corporation’s business.
- Date of Incorporation, jurisdiction and the term of the corporation.
- The number of shares authorized.
- Street address of main principal office.

All foreign corporations must include with the application a certificate setting forth that the corporation is in good standing under the laws of the jurisdiction of its incorporation, executed by the official of the jurisdiction who has custody of the records pertaining to corporations, and dated not earlier than 30 days before filing the application. Nonprofit corporations must also include a copy of the articles of incorporation, including any amendments, certified by the officer of the jurisdiction of its incorporation.

Both foreign profit and nonprofit corporations are subject to certain provisions of the same statutes that govern domestic corporations. These statutes are the [Business Corporation Act](#) and the [Nonprofit Corporation Act](#).

Name

To determine if a name is available, you may perform a preliminary search of the Business Entity Search database at www.michigan.gov/corpentitysearch or call the Corporations Division at (517) 241-6470. The search is a preliminary check and is not a guarantee that the name will be available when your documents are received.

Resident Agent and Registered Office

A resident agent and registered office must be included in the Application for Certificate of Authority. For profit corporations, the resident agent may be either an individual resident in this state whose business office or residence is identical with the registered office; a domestic corporation or a limited liability company; or a foreign corporation or limited liability company authorized to transact business in this state that has a business office identical with the registered office.

For nonprofit corporations, the resident agent may be either an individual resident in this state whose business office is identical with the corporation's registered office, a domestic business corporation, or a foreign business corporation authorized to conduct affairs or transact business in this state and having a business office identical with the corporation's registered office.

Changes to Application

After a certificate of authority has been issued, changes may occur which will require the filing of additional documents with the Corporations Division.

A foreign corporation must file an Amended Application for Certificate of Authority (form [CSCL/CD-562](#) for profit or [CSCL/CD-565](#) for nonprofit) to report changes in its name, or if information on the application changes. The filing must be completed within 30 days of when the change was effective in the home jurisdiction. For foreign profit corporations, additional fees may be required if the shares attributable to Michigan increase.

Mergers

If a foreign corporation with a Certificate of Authority merges with another entity, the corporation is required to file a certificate issued by its state of incorporation attesting to the occurrence of the merger. In addition, when the foreign corporation is the survivor of the merger and changes have been made which affect the corporation's Certificate of Authority, an Amended Application for Certificate of Authority must also be completed and filed.

If a foreign nonprofit corporation is involved in a merger, the corporation must submit a certified copy of the merger as filed in the home state.

Conversions

The Business Corporation Act and Michigan Limited Liability Company Act allow a business organization to convert into a domestic corporation or domestic limited liability company. The laws governing the foreign corporation's jurisdiction of formation must permit conversion, and the plan of conversion must be adopted and approved in the manner required by the law governing the internal affairs of the converting foreign corporation. The Certificate of Conversion ([CSCL/CD-554](#)) and either the Articles of Organization for a limited liability company ([CSCL/CD-700](#)) or the Articles of Incorporation for a profit corporation ([CSCL/CD-500](#)) are filed with the Bureau.

There are other entity conversions which are permitted by statute but are not included on Corporations Division forms, in which case a Certificate of Conversion must be drafted to comply with the relevant statutory provisions.

Withdrawal

In the event that a foreign corporation holding a Certificate of Authority desires to withdraw from this state, it is required to file an Application for Certificate of Withdrawal (form [CSCL/CD-561](#)). A tax clearance must be requested from the Michigan Department of Treasury within 60 days of filing the withdrawal. Foreign nonprofit charitable purpose corporations must obtain a letter of consent to the withdrawal from the Michigan Attorney General before the withdrawal can be filed.

Registration of Name by Foreign Corporation

Any foreign profit corporation not authorized to transact business in this state and not required to be authorized to transact business in this state may register its corporate name. An Application for Registration of Corporate Name (form [CSCL/CD-545](#)) may be used. The registration will expire on December 31 and can be renewed each year prior to that date. A preprinted form is mailed to the corporation 90 days prior to expiration.

Professional Service Corporation

A professional service corporation, as the name implies, is a corporation made up exclusively of licensed professionals. Licensed professionals are those people who have been legally authorized to provide such a professional service. The professional service corporation may be formed by one or more licensed persons to render professional services.

Professional service corporations are formed by filing Articles of Incorporation (form [CSCL/CD-501](#)) with the Bureau. The annual Information Update filed by a professional service corporation must list the shareholders and attest that all are licensed or authorized to provide the professional service.

Professional service corporations are formed to give professionals the benefits of a corporation, while not altering the law involving liability of the individual licensed person.

Limited Liability Company

A limited liability company is a business formed by one or more organizers who may, but need not be a member. It is a business entity separate from its members and liability is limited to the financial contribution made by the member. The members are the owners of the company. The management of the company is carried out by its members, unless the Articles of Organization provide for management by managers. Governance is set forth by the Articles of Organization or operating agreement. A limited liability company is formed by filing the Articles of Organization (form [CSCL/CD-700](#)) with the Bureau. The Articles of Organization must include all of the following:

- Name of the limited liability company, which must include the words “Limited Liability Company” or the abbreviations “L.L.C.”, “LLC”, “L.C.” or “LC”.
- The maximum duration, if other than perpetual

- The purpose for which the company was organized. An “all purpose clause” is permitted.
- Resident agent and registered office in Michigan.
- The signature(s) of one or more organizers.

Domestic Limited Liability Company

Limited liability companies are formed for the purpose of generating profit, while limiting taxes and liability. Limited liability companies have all of the powers granted to a corporation.

Name

The Corporations Division reviews the documents submitted and files the documents that substantially conform with the requirements of the Act. The proposed name of the limited liability company must be distinguishable from the name of other corporations, limited partnerships, or limited liability companies. The name also may not contain a word or phrase indicating it is organized for a purpose other than is stated in the Articles of Organization. A limited liability company name may not include the words “corporation”, “incorporated” or the abbreviations “corp.” or inc.”

If a limited liability company is to operate under one or more names other than the limited liability company’s true name, a Certificate of Assumed Name (form [CSCL/CD-541](#)) must also be filed. The assumed name must be distinguishable from the names of active limited partnerships, corporations or limited liability companies. The certificate of assumed name expires on December 31 of the fifth full calendar year following the year in which it was filed. A preprinted renewal form is mailed to the registered office address 90 days prior to expiration.

Prospective members should wait until the articles are filed before ordering or purchasing items such as signs, business cards, and stationery to avoid problems that may arise due to a conflict with another entity’s name.

To determine if a name is available, you may perform a preliminary search of the Business Entity Search database at www.michigan.gov/corpentitysearch or call the Corporations Division at (517) 241-6470. The search is a preliminary check and is not a guarantee that the name will be available when your documents are received.

If more time is needed to organize the limited liability company the name may be reserved for 180 days by filing an application for that purpose and paying the required fee.

Resident Agent and Registered Office

A resident agent and registered office must be included in the Articles of Organization. A resident agent is someone who is appointed by the company to receive any documents, notices, or demands served upon the company. The resident agent must be a Michigan resident, a Michigan corporation, a foreign corporation with a certificate of authority to transact business in Michigan, a Michigan limited liability company, or a foreign limited liability company authorized to transact business in this state. If a resident agent and registered office are not named in the articles, the submitter will be contacted to obtain the information.

Purpose

A limited liability company may be formed for any purpose for which a corporation can be formed under the Business Corporation Act or for which a partnership may be formed. An “all purpose clause” is permitted.

Annual Statement

Every limited liability company is required to file an Annual Statement each year. The Bureau sends a pre-printed form to the registered office of each company before the due date (February 15) unless the company has elected to receive the notice electronically. The company should check that the details are correct, reporting any changes in resident agent or registered office, sign and date the form, and return it with the appropriate fee. The statement may be filed online at www.michigan.gov/corpfileonline. If the Limited Liability Company was formed after September 30, it is not required to file an annual statement on February 15 immediately succeeding its formation. Failure to file the annual statements will result in the company no longer being in good standing after two years and the name becomes available to any other corporation, limited partnership, or limited liability company.

Changes in Business Structure

After the initial formation documents have been filed, changes may occur which will require the filing of additional documents with the Corporations Division.

Changes to the Articles of Organization

Changes are made to the Article of Organization by filing a Certificate of Amendment (form [CSCL/CD-715](#)) with the Bureau. Reasons for amending the Articles of Organization include changes in the name, purpose, or management structure. If the Articles of Organization have been previously amended, the separate amendments may be integrated into one document by filing Restated Articles of Organization (form [CSCL/CD-710](#)).

Changes in Resident Agent or Registered Office

To change the resident agent or the address of the registered office, a Certificate of Change of Registered Office/Agent (form [CSCL/CD-520](#)) must be completed and filed.

Mergers

If a Limited Liability Company desires to merge with another limited liability company, a Certificate of Merger (form [CSCL/CD-750](#)) is required to be filed with the Bureau. If the limited liability company desires to merge with another entity (such as a corporation, limited partnership, etc.) form [CSCL/CD-550m](#) should be filed instead.

Conversions

The Michigan Limited Liability Company Act allows a domestic limited liability company to convert into a business organization or a business organization to convert into a domestic limited liability company.

A domestic limited liability company may convert into a domestic corporation pursuant to the Michigan Limited Liability Company Act and the Business Corporation Act. The terms and conditions of the conversion must be approved by the organizers, if the limited liability company has not commenced business, or the members, if the limited liability company has commenced business. The Certificate of Conversion and Articles of Incorporation ([CSCL/CD-754](#) and [CSCL/CD-500](#)) are filed with the Bureau.

There are other entity conversions which are permitted by statute but are not included on Corporations Division forms, in which case a Certificate of Conversion must be drafted to comply with the relevant statutory provisions.

Dissolution

A limited liability company is dissolved and its affairs shall be wound up when any of the following occurs:

- 1) By unanimous vote of all members entitled to vote
- 2) Automatically at the time specified in the articles of organization
- 3) Upon the happening of an event specified in the articles of organization or in the operating agreement, including a vote of members
- 4) Automatically upon entry of a decree of judicial dissolution
- 5) By vote of a majority of the organizers if the LLC has not commenced business; has not issued any membership interests; nor has it acquired any debt or payments.

Upon dissolution of a limited liability company under items 1 or 3 above, a Certificate of Dissolution (form [CSCL/CD-731](#)) shall be filed. A tax clearance must be requested from the Michigan Department of Treasury within 60 days of filing the dissolution.

Upon dissolution of a limited liability company under item 5 above, a Certificate of Dissolution (form [CSCL/CD-730](#)) shall be filed.

Advantages

1. Easy to form
2. Low start up cost
3. Broader management base
4. Limited liability to members

Disadvantages

1. Complex tax filing system
2. Less precedent because case law and legal precedent is not as abundant as corporations.

Foreign Limited Liability Company

A foreign limited liability company is one that is formed under the laws of another jurisdiction. Foreign limited liability companies that are “transacting business” in Michigan must first obtain a Certificate of Authority from the Bureau. The term “transacting business” is a technical term. The Michigan Limited Liability Company Act sets out particular activities, which in and of themselves do not constitute transacting business. In determining whether it is necessary to obtain a Certificate of Authority, the limited liability company should look at its proposed activities in this state, the statute, and applicable court decisions. If a Certificate of Authority is required, the company must file an Application for Certificate of Authority (form [CSCL/CD-760](#)). All of the following information must be included in the application:

- Name of the limited liability company, which must contain the words “Limited Liability Company”, or the abbreviations “L.L.C.”, “LLC”, “L.C.” or “LC”.
- Period of duration
- The specific business the company intends to transact in Michigan.
- Resident agent and registered office in Michigan.
- Name and address of a member, manager, or other person to whom the administrator is to send copies of any process served on the administrator.

Name

To determine if a name is available, you may perform a preliminary search of the Business Entity Search database at www.michigan.gov/corpenitysearch or call the Corporations Division at (517) 241-6470. The search is a preliminary check and is not a guarantee that the name will be available when your documents are received.

Resident Agent and Registered Office

A resident agent and registered office must be included in the application. A resident agent is someone who is appointed by the company to receive any documents, notices, or demands served upon the company. The resident agent must be a Michigan resident, a Michigan corporation, a foreign corporation with a certificate of authority to transact business in Michigan, a Michigan limited liability company or a foreign limited liability company authorized to transact business in this state. If a resident agent and registered office are not named in the application, the submitter will be contacted for the information.

Changes in Business Structure

After the certificate of authority is issued, changes may occur which will require the filing of additional documents with the Corporations Division.

Changes in Company Name or Other Changes in the Business

If the limited liability company’s name is changed or changes occur in the company that affect the information in the Application for Certificate of Authority to Transact Business, an Amended Application for Certificate of Authority (form [CSCL/CD-762](#)) must be filed.

Mergers

If a foreign limited liability company with a Certificate of Authority merges with another limited liability company and is the survivor of the merger, the company is required to file a certificate issued by the jurisdiction where it filed its Articles of Organization, attesting to the occurrence of the merger. When the foreign limited liability company is the survivor of the merger, and changes in the information contained in its Application for Certificate of Authority occur because of the merger, an amended application should be filed with the Bureau.

Conversions

The Michigan Limited Liability Company Act and Business Corporation Act allow a business organization to convert into a domestic limited liability company or a domestic corporation. The laws governing a foreign limited liability company's jurisdiction of formation must permit conversion, and the plan of conversion must be adopted and approved in the manner required by the law governing the internal affairs of the converting foreign limited liability company. The Certificate of Conversion ([CSCL/CD-754](#)) and either the Articles of Organization for a limited liability company ([CSCL/CD-700](#)) or the Articles of Incorporation for a profit corporation ([CSCL/CD-500](#)) are filed with the Bureau.

There are other entity conversions which are permitted by statute but are not included on Corporations Division forms, in which case a Certificate of Conversion must be drafted to comply with the relevant statutory provisions.

Withdrawal

In the event a foreign limited liability company holding a Certificate of Authority desires to withdraw from this state or is the non-survivor in a merger, it is required to file an Application for Certificate of Withdrawal (form [CSCL/CD-761](#)). A tax clearance must be requested from the Michigan Department of Treasury within 60 days of filing the withdrawal.

Professional Service Limited Liability Company

A professional limited liability company, as the name implies, is a company made up of licensed persons who have been legally authorized to provide a professional service. Professional limited liability companies must consist of a least one member who is licensed in each professional service being offered. If there is more than one member, they must all be licensed to provide the services of the company.

Those professions which must form as a professional service limited liability company are dentists, osteopathic physicians, physicians, surgeons, doctors of divinity or other clergy, and attorneys at law.

These entities are formed by filing Articles of Organization (form [CSCL/CD-701](#)) with the Bureau. The Professional Limited Liability Company Annual Report must list the licensed professionals who are members or managers of the company.

Professional limited liability companies are formed to give professionals the benefits of a limited liability company, while not altering the law involving liability of the individual professional.

COMMON REASONS DOCUMENTS ARE RETURNED

1. Name
 - a. Name not available for use because it is not distinguishable from another existing corporation, limited partnership, or limited liability company.
 - b. Name not uniformly stated throughout the document.
 - c. The name does not include a statutory required designation, such as Corp. or L.L.C.
 - d. Name is not available because the words in the name are restricted or prohibited from use by another statute.
2. Address
 - a. An incorrect or incomplete address is submitted. Document must include street address, city or town, state, and zip code.
3. Registered Office
 - a. Registered office different on the document than on the records.
 - b. No street address for resident agent; only P.O. Box.
 - c. A foreign corporation does not provide for a registered office in this state.
4. Resident Agent
 - a. Does not provide for a resident agent.
5. Improper form
 - a. Improper form for the transaction reported.
6. Incorrect Fee
 - a. Incorrect fee submitted with the form.
 - b. Check not made out to the "State of Michigan".
 - c. Check has not been signed.
7. Signatures
 - a. The required signatures are missing, improper, or not the original.
 - b. An officer other than the one required by statute has signed.
8. Purpose Clause
 - a. The purpose clause is too broad for a nonprofit corporation or a professional service corporation or limited liability company.
 - b. An all purpose clause in nonprofit articles of incorporation instead of specific purpose.
9. Shares
 - a. Number of shares to be authorized is not listed.

FORMS AND FILING FEES

LIMITED PARTNERSHIP FORMS

[CSCL/CD-401](#)

Certificate of Limited Partnership \$10.00

[CSCL/CD-402](#)

Restated Certificate of Limited Partnership \$10.00

[CSCL/CD-403](#)

Certificate of Amendment \$10.00

[CSCL/CD-404](#)

Certificate of Cancellation \$10.00

[CSCL/CD-411](#)

Application for Registration to Transact Business \$10.00

[CSCL/CD-412](#)

Certificate of Change for Foreign Limited Partnership \$10.00

[CSCL/CD-452](#)

Certificate of Abandonment of Merger/Consolidation No Charge

[CSCL/CD-521](#)

Resignation of Agent No Charge

[CSCL/CD-540](#)

Application for Reservation of a Name \$10.00

[CSCL/CD-541](#)

Certificate of Assumed Name \$10.00

[CSCL/CD-543](#)

Termination of Assumed Name \$10.00

[CSCL/CD-550m](#)

Certificate of Merger No fee for merger
(\$10.00 fee for cancellation, amendment or restatement)

[Limited Partnership Act](#)

..... \$ 3.00

CORPORATION FORMS

[CSCL/CD-500](#)

Articles of Incorporation (profit)\$60.00 minimum
(a minimum of \$50.00 organization fee is due in addition to the \$10.00 filing fee)

[CSCL/CD-501](#)

Articles of Incorporation (professional) \$10.00
(a minimum of \$50.00 organization fee is due in addition to the \$10.00 filing fee)

[CSCL/CD-502](#)

Articles of Incorporation (nonprofit) \$20.00
(a \$10.00 organization fee is due in addition to the \$10.00 filing fee)

[CSCL/CD-503](#)

Articles of Incorporation (ecclesiastical) \$20.00
(a \$10.00 organization fee is due in addition to the \$10.00 filing fee)

[CSCL/CD-510](#)

Restated Articles of Incorporation (profit) \$10.00

[CSCL/CD-511](#)

Restated Articles of Incorporation (nonprofit) \$10.00

[CSCL/CD-512](#)

Restated Articles of Incorporation (ecclesiastical) \$10.00

[CSCL/CD-515](#)

Certificate of Amendment \$10.00

[CSCL/CD-516](#)

Certificate of Amendment (ecclesiastical) \$10.00

[CSCL/CD-517](#)

Certificate of Abandonment of Amendment \$10.00

[CSCL/CD-518](#)

Certificate of Correction \$10.00

[CSCL/CD-520](#)

Certificate of Change of Registered Office/Agent \$5.00

[CSCL/CD-521](#)

Resignation of Agent No Charge

<u>CSCL/CD-525</u>	
Certificate of Renewal of Corporate Existence.....	\$10.00
<u>CSCL/CD-530</u>	
Certificate of Dissolution (before commencement).....	\$10.00
<u>CSCL/CD-531</u>	
Certificate of Dissolution.....	\$10.00
<u>CSCL/CD-533</u>	
Certificate of Revocation of Dissolution.....	\$10.00
<u>CSCL/CD-540</u>	
Application for Reservation of Name.....	\$10.00
<u>CSCL/CD-541</u>	
Certificate of Assumed Name.....	\$10.00
<u>CSCL/CD-543</u>	
Termination of Assumed Name.....	\$10.00
<u>CSCL/CD-545</u>	
Application for Registration of Corporate Name (foreign).....	\$50.00
<u>CSCL/CD-546</u>	
Certificate of Termination of Registration of Corporate Name (foreign)	\$10.00
<u>CSCL/CD-547</u>	
Certificate of Renewal of Registration of Corporate Name (foreign)	\$50.00
<u>CSCL/CD-550</u>	
Certificate of Merger - Domestic Nonprofit	\$50.00
Certificate attesting to the occurrence of a merger of a foreign corporation	\$10.00
<u>CSCL/CD-550m</u>	
Certificate of Merger - Profit/cross-entity	\$50.00
<u>CSCL/CD-551</u>	
Certificate of Merger – Profit Parent/subsidiary.....	\$50.00
<u>CSCL/CD-554</u>	
Certificate of Conversion – Corporation Converting.....	\$50.00

[CSCL/CD-560](#)

Application for Certificate of Authority \$60.00 (profit)
Application for Certificate of Authority \$20.00 (nonprofit)

[CSCL/CD-561](#)

Application for Certificate of Withdrawal..... \$10.00

[CSCL/CD-562](#)

Amended Application for Certificate of Authority
(for profit corporation) \$10.00

[CSCL/CD-565](#)

Amended Application for Certificate of Authority
(for nonprofit corporation) \$10.00

CSCL/CD-2000

Annual Report (for nonprofit corporation)\$20.00

CSCL/CD-2500

Annual Report (for profit corporation) \$25.00

Business and Nonprofit Corporation Act \$7.00

LIMITED LIABILITY COMPANY FORMS

[CSCL/CD-700](#)

Articles of Organization – Domestic L.L.C..... \$50.00

[CSCL/CD-701](#)

Articles of Organization - Domestic Professional L.L.C \$50.00

[CSCL/CD-710](#)

Restated Articles of Organization \$50.00

[CSCL/CD-715](#)

Certificate of Amendment..... \$25.00

[CSCL/CD-518](#)

Certificate of Correction..... \$25.00

[CSCL/CD-520](#)

Certificate of Change of Registered Office/Resident Agent..... \$5.00

[CSCL/CD-521](#)

Resignation of Agent \$5.00

<u>CSCL/CD-730</u>	
Certificate of Dissolution.....	\$10.00
<u>CSCL/CD-731</u>	
Certificate of Dissolution.....	\$10.00
<u>CSCL/CD-540</u>	
Application for Reservation of Name	\$25.00
<u>CSCL/CD-541</u>	
Certificate of Assumed Name.....	\$25.00
<u>CSCL/CD-543</u>	
Termination of Assumed Name	\$25.00
<u>CSCL/CD-550m</u>	
Certificate of Merger – LLC/Cross-entity	\$100.00
<u>CSCL/CD-750</u>	
Certificate of Merger LLC only.....	\$100.00
Certificate attesting to occurrence of a merger of a foreign limited liability company.....	\$10.00
<u>CSCL/CD-752</u>	
Certificate of Abandonment of Merger.....	\$10.00
<u>CSCL/CD-754</u>	
Certificate of Conversion – LLC Converting	\$25.00
<u>CSCL/CD-760</u>	
Application for Certificate of Authority	\$50.00
<u>CSCL/CD-761</u>	
Application for Certificate of Withdrawal.....	\$10.00
<u>CSCL/CD-762</u>	
Amended Application for Certificate of Authority	\$25.00
<u>CSCL/CD-770</u>	
Certificate of Restoration – Domestic	\$50.00
<u>CSCL/CD-771</u>	
Certificate of Restoration – Foreign.....	\$50.00

CSCL/CD-2700 Limited Liability Company Annual Statement	\$25.00
CSCL/CD-2700PC Annual Statement/Annual Report (Professional Limited Liability Company)	\$75.00
Limited Liability Company Act	\$3.00
Copies of documents per page	\$1.00
(minimum \$6.00 per order)	
Certificates	\$10.00

Item	Regulation	Start-Up Costs	Entity	Life	Liability	Transfer of Interest	Management	Taxation
Sole Proprietorship	Least Regulated	Least expensive	Not separate from proprietor	Life of person	Unlimited liability	Assets must be transferred	Easiest-One owner controls	No double taxation
Copartnership	Limited Regulation	Relatively inexpensive	Not separate from partners	Agreed Term: Life of any partner	Partners personally liable for debts and obligation or partnership	New agreement generally required	Unanimity of partners	Each partner taxed on his share of income
Limited Liability Partnership	Limited Regulation	Relatively inexpensive	Not separate from partners	Agreed Term: Life of any partner Annual renewal of LLP status	Partners personally liable for debts and obligation of partnership – except for negligent act by partner not under the partner's direct supervision or control	New agreement generally required	Unanimity of partners	Each partner taxed on his share of income
Limited Partnership	Limited Regulation	Relatively inexpensive	Separate from partners	Agreed Term: Life of any general partner	General partners liable for all obligations; Limited partners liable to extent of contribution	In accordance with limited partnership agreement	Unanimity of partners usually required	Each partner taxed on his share of income
Limited Liability Company	Limited Regulation	Relatively inexpensive	Separate from members	Perpetual	Liability limited to the assets of the company	In accordance with operating agreement	Members may participate or select managers	May choose to be taxed as a partnership or sole proprietorship
Corporation	Most Regulated	Most expensive to form	Separate legal entity	Perpetual	No individual liability	Most transferable	Authorization of a specified percent of directors required	Double taxation

CSCL/CD PUB-8011 (04/2018)
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU
CORPORATIONS DIVISION
PO BOX 30054
LANSING, MI 48909-7554

LARA is an equal opportunity employer/program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.