

## Policy Statement on Late Submission of Profit Corporation Annual Reports

Section 911 of the Business Corporation Act requires a domestic profit corporation and each foreign profit corporation qualified to do business in Michigan to file a report no later than May 15 of each year. Section 1060(1)(u) of the act sets the fee which must be paid when the report is delivered to the administrator. Section 921(1) of the act provides that if a domestic or foreign corporation neglects or refuses to file a report or pay a fee required by the act within the time specified that the corporation, in addition to its liability for the fee, is subject to a penalty of \$10 for each month or part of a month that the corporation is delinquent, not to exceed \$50.

Section 921(3) provides the administrator may waive assessment of penalties in whole or in part when it is the public interest to do so. Policy C-66 adopted March 24, 2003, provides late penalty fees will be assessed for reports submitted after September 30 of the year in which the report is due.

Online filing for domestic profit corporation annual reports was launched in March 2006 and expanded in March 2007 to include prior year reports for domestic corporations in good standing. Online filing simplifies the process for complying with the annual reporting requirements and eliminates the manual processing of paper reports.

Executive Directive No. 2007-15 directs departments and agencies to take all feasible actions to enhance the collections of amounts owed the State. Given the current fiscal crises it is in the public interest to take action to encourage corporations to timely submit their reports and to assess late penalty fees for reports received after the May 15 due date.

The statutory late penalty fees will be waived for 2007 profit corporation annual reports submitted by August 31, 2007. Beginning September 1, 2007, statutory late penalty fees will be assessed if a domestic or foreign corporation neglects or refuses to submit an annual report or pay annual fee by the May 15 due date.

This policy rescinds Policy C-66. The above policy shall be adopted immediately and remain in effect unless rescinded or modified by the Bureau Director.

  
Andrew L. Metcalf Jr.  
Director, Bureau of Commercial Services

Date: 05/10/07