

POLICY STATEMENT ON ANNUAL REPORT PENALTY FEES

The following policy shall be in effect as of July 22, 1991 and remain in effect unless rescinded or modified by the Bureau Director.

The Business Corporation Act, PA 284 of 1972, provides in section 921 that a corporation is subject to a penalty fee of \$10 for each month or part of a month that it neglects or refuses to file an annual report or pay the fee for the report and that the total penalty is not to exceed \$50. For annual reports due or deficient before February 24, 1978, Section 924 of the act preserves the penalty fees that were in effect at the statutory filing date.

Penalty fees for annual reports due or delinquent after February 24, 1978, will be limited to the penalties permitted by Section 921 and the maximum penalty fee per report will be \$50. This is a change from the previous practice which prorated the fee. The \$50 limit per report shall apply to each renewal of corporate existence in accordance with Section 925 which is completed after the effective date of this policy.

Penalties paid prior to the effective date of this policy may be refunded if renewal of corporate existence has not been completed and the penalty was computed at a higher rate than this policy permits, upon request of the corporation.

Approved by Carl L. Tyson, Director
Corporation and Securities Bureau
on July 22, 1991