

NONPROFIT CORPORATION ACT (EXCERPT)
Act 162 of 1982

450.2106 Definitions; C to E.

Sec. 106.

(1) "Charitable purpose corporation" means a domestic corporation that meets any of the following:

(a) Is recognized by the United States internal revenue service as exempt or qualifies for exemption under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501.

(b) Is a corporation whose purposes, structure, and activities are exclusively those that are described in section 501(c)(3) of the internal revenue code of 1986, 26 USC 501.

(c) Is a corporation organized or held out to be organized exclusively for 1 or more charitable purposes.

(2) "Corporation" or "domestic corporation" means a nonprofit corporation formed under this act, or formed under any other statute of this state and subject to this act under section 121 or 123 or under any other section of this act.

(3) "Department" means the department of licensing and regulatory affairs.

(4) "Director" means an individual who is a member of the board of a corporation. The term is synonymous with "trustee" of a corporation or other similar designation.

(5) "Distribution" means a direct or indirect transfer of money or other property, except the corporation's shares or memberships, or debt incurred by the corporation to or for the benefit of its shareholders or members in connection with the corporation's shares or memberships. A distribution may be in the form of a dividend, a purchase, redemption or other acquisition of shares or memberships, an issuance of indebtedness, the conversion of stock or membership in the corporation to bonds or other indebtedness, or any other declaration or payment to or for the benefit of the shareholders or members.

(6) "Electronic transmission" or "electronically transmitted" means any form of communication that meets all of the following:

(a) It does not directly involve the physical transmission of paper.

(b) It creates a record that may be retained and retrieved by the recipient.

(c) It may be directly reproduced in paper form by the recipient through an automated process.

History: 1982, Act 162, Eff. Jan. 1, 1983 ;-- Am. 2008, Act 9, Imd. Eff. Feb. 29, 2008 ;-- Am. 2008, Act 222, Imd. Eff. July 16, 2008 ;-- Am. 2014, Act 557, Imd. Eff. Jan. 15, 2015