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Senate Fiscal Agency  
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Lansing, Michigan 48909-7536

**SFA****BILL ANALYSIS**

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Senate Bill 775 (as reported without amendment)  
Sponsor: Senator Michael J. Bouchard  
Committee: Financial Services

### **CONTENT**

The bill would amend the Professional Service Corporation Act to allow shares of a corporation organized under the Act to be sold or transferred to a trust or split interest trust, under certain circumstances.

The Act prohibits the sale or transfer of shares of a professional service corporation, except to an individual who is eligible to be a shareholder of the corporation or to the personal representative or estate of a deceased or legally incompetent shareholder. The bill also would make an exception to that prohibition for a sale or transfer to a trust or split interest trust in which the trustee and the current income beneficiary were both licensed persons in a professional corporation.

MCL 450.222 et al.

Legislative Analyst: P. Affholter

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 10-29-97

Fiscal Analyst: M. Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.