

## **CREMATION COMPANIES** **Act 58 of 1915**

AN ACT to provide for the incorporation of cremation companies and associations; and to impose certain duties upon the department of commerce.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—Am. 1982, Act 114, Imd. Eff. Apr. 19, 1982.

*The People of the State of Michigan enact:*

### **456.201 Cremation companies; incorporators, purposes.**

Sec. 1. Five or more persons, who shall, by articles of agreement in writing, associate themselves according to the provisions of this act, under any name assumed by them, for the purpose of providing the necessary appliances for the disposal by cremation of the bodies of the dead, and for the purpose of purchasing land for a crematorium or columbarium, or both, in this state, and for fencing, laying out, improving, establishing and maintaining said land, and who shall comply with sections 2, 3 and 4 of this act, shall, with their successors and assigns, constitute a body politic or corporate, under the name assumed by them in their articles of association: Provided, however, That no 2 corporations shall assume the same name.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11177;—CL 1929, 10462;—CL 1948, 456.201.

### **456.202 Articles of agreement; signing, acknowledgment, contents.**

Sec. 2. The articles of agreement of every corporation formed under the provisions of this act shall be signed by the persons associating in the first instance, and acknowledged before some person authorized by the laws of this state to take the acknowledgment of deeds, and shall state:

1. The object for which it is organized.
2. The amount of land which it owns or proposes to purchase, and the town and county in which the same is situated.
3. The amount of its capital stock and the number of shares into which the same shall be divided.
4. The name by which such corporation shall be known.
5. The names of those who shall constitute the first board of directors, and the name of the first treasurer.
6. The names of the subscribers to the articles of association, and the number of shares subscribed by each, toward the required capital.
7. The term of duration of such corporation, which shall not exceed 30 years.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11178;—CL 1929, 10463;—CL 1948, 456.202.

### **456.203 Certificate of organization; signatures; filing certificate with department of commerce.**

Sec. 3. Within 1 week after the organization of any corporation organized under this act, the secretary shall make out a certificate of the organization of such corporation, giving the information referred to in section 2, which certificate shall be signed by the president and secretary of such corporation, and shall forthwith file such certificate with the corporation and securities bureau of the department of commerce.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11179;—CL 1929, 10464;—CL 1948, 456.203;—Am. 1982, Act 114, Imd. Eff. Apr. 19, 1982.

### **456.204 Repealed. 2011, Act 112, Imd. Eff. July 20, 2011.**

**Compiler's note:** The repealed section pertained to holding in land.

### **456.205 Tax exemption; exception.**

Sec. 5. All the lands of said corporation enclosed and set apart for crematorium or columbarium purposes, and all the buildings erected thereon, used for such purposes as well as all rights of inurnment therein, shall be wholly exempt from taxation of any kind whatsoever except special assessments for public improvements: Provided, That all stock owned by said stockholders shall be taxed in the manner provided by law.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11181;—CL 1929, 10466;—CL 1948, 456.205.

### **456.206 Encumbrance of certain property prohibited; surety bond and cash bond.**

Sec. 6. (1) A corporation shall have the power to acquire land that is necessary and appropriate for its purposes.

(2) A mortgage or other lien or encumbrance shall not be executed upon the lands or buildings of a columbarium.

(3) A mortgage or other lien or encumbrance may be executed on the land or buildings that are not under or part of a columbarium if, and only if, the corporation, landlord, mortgagee, or lender files and maintains in force a corporate surety bond and a cash bond that are conditioned upon the faithful performance of all cremations and dispositions of cremated remains contracted for, by, or on behalf of the corporation that owns the crematorium. The sum total of the surety bond and cash bond shall not be less than \$100,000.00. The surety bond and cash bond shall be for the benefit of the state of Michigan to ensure the performance of the cremation and the disposition of cremated remains contracted for, by, or on behalf of the corporation that owns the crematorium. If land or buildings are leased pursuant to this subsection, the duration of the lease shall be for not less than 5 years.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11182;—CL 1929, 10467;—CL 1948, 456.206;—Am. 2011, Act 112, Imd. Eff. July 20, 2011.

#### **456.207 Annual meeting; election of directors, term; right to vote; special meetings.**

Sec. 7. The annual meeting of every such corporation shall be held on the second Monday of May in each year, unless some other day shall be fixed by the by-laws thereof, and in such case it shall be held upon the day so fixed. The participants at the initial annual meeting shall elect a board of directors of 7, of which 3 shall serve for 1 year and 4 for 2 years, their successors at subsequent annual meetings being elected in each case for a period of 2 years. These directors shall hold office until their term expires and their successors shall be chosen, and shall transact such business relating to the affairs of the corporation as may properly come before them. At such meetings the owners of stock shall have the right to vote, either in person or by proxy, in proportion to the amount of stock held by them respectively, each owner thereof being entitled to 1 vote for each share of stock. Special meetings of any such corporation may be provided for by the by-laws thereof, and shall be held when called in accordance with such provision.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11183;—CL 1929, 10468;—CL 1948, 456.207.

#### **456.208 Officers; selection.**

Sec. 8. It shall be the duty of said board of directors to choose from their own number a president and vice-president, and also to elect suitable persons as treasurer and secretary of such corporation, and from time to time to appoint a superintendent and such other subordinate officers as may be required by the by-laws.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11184;—CL 1929, 10469;—CL 1948, 456.208.

#### **456.209 Directors; powers.**

Sec. 9. The board of directors shall have the general management of such corporation, and shall have the power: To purchase land for such company or association, but for no other purpose; to levy assessments upon the subscribers to the articles of association, not exceeding the amount severally subscribed by them payable at such times as the directors shall determine, and to enforce the collection thereof either by suit or forfeiture; to maintain and operate a crematorium or columbarium, or both, and to dispose of niches in the aforesaid urn-hall, fix the prices thereof and to guarantee to the owners of niches the perpetual maintenance and care of said columbarium. To invest the moneys received from incinerations or the sale of niches or both, and to prescribe, from time to time, the interest or dividends which shall be paid to holders of the stock of such corporation, subject to the restrictions hereinafter named.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11185;—CL 1929, 10470;—CL 1948, 456.209.

#### **456.210 Records of cremations; contents.**

Sec. 10. It shall be the duty of any company or association incorporated under this act, to keep a record showing the name, age, and last place of residence of every person incinerated in the crematorium maintained by said corporation, as well as the number of the cremation permit and name of the officiating undertaker.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11186;—CL 1929, 10471;—CL 1948, 456.210.

#### **456.211 Records of niches.**

Sec. 11. Corporations organized under this act and operating a columbarium shall also keep a record of the names and addresses of the owners of niches, as well as the numbers of the niches to which they hold title and names of deceased whose remains are inurned therein.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11187;—CL 1929, 10472;—CL 1948, 456.211.

#### **456.212 Grounds; laying out, improvement.**

Sec. 12. It shall be the duty of such board of directors to lay out and embellish the grounds, and to see that they are well kept and in good condition.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11188;—CL 1929, 10473;—CL 1948, 456.212.

**456.213 Sale of niches; trust fund, investment and use.**

Sec. 13. One-half of the moneys received from the sale of niches shall be transferred to a trust fund until a sufficient amount has accumulated to insure the perpetual maintenance, and care of the columbarium, in which case they may be diverted to the treasury of the corporation. Moneys received for the trust fund shall only be invested in such securities as are considered legal investments for banks and trust companies in the state of Michigan. All interest received from such investments, however, shall be payable to the treasurer of the corporation and be used as aforesaid.

**History:** 1915, Act 58, Eff. Aug. 24, 1915;—CL 1915, 11189;—CL 1929, 10474;—CL 1948, 456.213.

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