

**MICHIGAN EMPLOYMENT SECURITY ACT (EXCERPT)**  
**Act 1 of 1936 (Ex. Sess.)**

**421.24 Cessation of employing unit as employer subject to act; termination of coverage; rescission of determination.**

Sec. 24.

Except as otherwise provided in section 25, an employing unit shall cease to be an employer subject to this act as provided in this section:

(a) If an employing unit that became liable under section 41 makes written application for termination of its coverage under this act, the commission shall issue a determination granting or denying the application. The commission shall grant the application terminating coverage effective as of the last day of the calendar quarter in which the application was received by the commission if it finds that the employing unit did not meet the applicable requirements of an employer specified in section 41 during the preceding calendar year and during the current calendar year, up to the last day of the calendar quarter in which the application was received. If the employing unit requesting termination became an employer under section 41(2) in the preceding calendar year, then the individuals in the employ of any predecessor or predecessors in a chain of successorship shall be considered as if they were employees of the requesting employing unit for the purpose of determining the number of weeks during which 1 or more individuals performed services in employment and in determining total remuneration for employment during the preceding calendar year. If an employing unit liable solely under section 41(7) makes written application for termination of its coverage under this act, the commission shall grant the application terminating coverage effective as of the last day of the calendar quarter in which the application was received by the commission if it finds that the employing unit ceased to have employment in Michigan during the calendar year preceding the receipt of the application for termination and had no employment in Michigan during the current calendar year, up to the last day of the calendar quarter in which the application was received. An employer whose application for termination of coverage is denied may request a redetermination in accordance with section 32a.

(b) The commission shall terminate the coverage of an employing unit as of the effective date on which the employing unit's entire rating account is transferred to another employer under section 22.

(c)(1) The commission may issue a determination terminating the coverage of an employing unit as of January 1 of a calendar year if it finds that the employing unit ceased to exist during the preceding calendar year or met the requirements for termination as specified in subdivision (a). The determination shall be mailed by first-class mail to the last known address of the employing unit involved.

(2) The commission may terminate the coverage of an employing unit as of January 1 of a previous calendar year with respect to which it makes the foregoing findings, if the employing unit has not been previously determined to have been an employer with respect to that specific year.

(3) The commission shall rescind its determination terminating the coverage of an employing unit under this subsection if it has received written objection to the determination from the employing unit within 30 days after the date of mailing by the commission.

**History:** 1936, Ex. Sess., Act 1, Imd. Eff. Dec. 24, 1936 ;-- Am. 1937, Act 347, Imd. Eff. Aug. 5, 1937 ;-- Am. 1941, Act 364, Imd. Eff. July 1, 1941 ;-- CL 1948, 421.24 ;-- Am. 1949, Act 282, Imd. Eff. June 11, 1949 ;-- Am. 1951, Act 251, Imd. Eff. June 17, 1951 ;-- Am. 1954, Act 197, Imd. Eff. May 7, 1954 ;-- Am. 1957, Act 311, Imd. Eff. June 21, 1957 ;-- Am. 1967, Act 254, Imd. Eff. July 19, 1967 ;-- Am. 1968, Act 338, Imd. Eff. July 19, 1968 ;-- Am. 1975, Act 110, Eff. June 8, 1975 ;-- Am. 1977, Act 277, Eff. Jan. 1, 1978 ;-- Am. 1983, Act 164, Eff. Oct. 1, 1983 ;-- Am. 1996, Act 498, Imd. Eff. Jan. 9, 1997