SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 1999

OR

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______ to ________

Commission file number: 000-25927

MACATAWA BANK CORPORATION
(Exact name of small business issuer as specified in its charter)

MICHIGAN	38-3391345
(State of other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

51 E. Main Street, Zeeland, Michigan 49464
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (616) 748-9491

Check whether the issuer: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ___X___ No ________

The number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 3,588,565 shares of the Company's Common Stock (no par value) were outstanding as of August 6, 1999.

Transitional Small Business Disclosure Format (check one): Yes _____ No __X__

INDEX

Part I Financial Information

MACATAWA BANK CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
As of June 30, 1999 (unaudited) and December 31, 1998

<TABLE>

<S>	June 30, 1999 (Unaudited) <C>	December 31, 1998 <C>
ASSETS		
Cash and due from banks	$ 12,686,062	$ 11,453,177
Federal funds sold	9,000,000	--
Short-term investments	--	6,500,000
Cash and cash equivalents	21,686,062	17,953,177
Securities available for sale, at fair value	21,955,810	27,007,300
Total loans	217,538,862	137,882,260
Allowance for loan losses	(3,024,493)	(2,030,000)
	214,514,369	135,852,260
Premises and equipment - net	8,479,297	7,125,755
Accrued interest receivable	1,382,217	1,226,199
Other assets	213,735	63,982
Total Assets	$268,231,490	$189,228,673
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Noninterest-bearing	$ 26,539,550	$18,517,550
Interest-bearing	191,003,283	148,471,125
Total	217,542,833	166,988,675
Federal funds purchased	--	2,000,000
Federal Home Loan Bank Borrowings	16,000,000	--
Accrued expenses and other liabilities	713,735	628,610
Total liabilities	234,256,568	169,617,285
Shareholders' equity		
Preferred stock, no par value, 500,000 shares authorized; no shares issued and outstanding		
Common stock, no par value, 9,500,000 shares authorized; 3,588,565 and 2,435,125 shares issued and outstanding as of June 30, 1999 and December 31, 1998, respectively	36,897,077	22,260,646
Retained deficit	(2,687,070)	(2,654,076)
Net unrealized appreciation (depreciation) on securities available for sale, net of tax	(235,085)	4,818
Total shareholders' equity	33,974,922	19,611,388
Total liabilities and shareholders' equity	$268,231,490	$189,228,673

</TABLE>

See accompanying notes to condensed consolidated financial statements

MACATAWA BANK CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
Three Month Periods Ended June 30, 1999 and June 30, 1998
Six Month Periods Ended June 30, 1999 and June 30, 1998
(unaudited)

<TABLE>

	Three Months ended June 30, 1999	Three Months ended June 30, 1998	Six Months ended June 30, 1999	Six Months ended June 30, 1998

<S>	(unaudited) <C>	(unaudited) <C>	(unaudited) <C>	(unaudited) <C>
Interest Income				
Loans, including fees	$ 4,289,772	$ 808,846	$ 7,568,141	$ 954,357
Investments	373,450	365,224	730,233	563,185
Total interest income	4,663,222	1,174,070	8,298,374	1,517,542
Interest expense				
Deposits	2,010,155	446,763	3,759,357	585,107
Other	181,751	962	184,236	1,001
Total interest expense	2,191,906	447,725	3,943,593	586,108
Net interest income	2,471,316	726,345	4,354,781	931,434
Provision for loan losses	(545,000)	(702,000)	(995,000)	(902,500)
Net interest income after provision for loan losses	1,926,316	24,345	3,359,781	28,934
Noninterest income	362,580	68,272	751,725	71,713
Noninterest expense				
Salaries and benefits	1,246,298	616,611	2,347,455	909,009
Occupancy expense of premises	183,790	60,999	342,180	90,294
Furniture and equipment expense	160,324	45,895	299,281	75,259
Legal and professional fees	35,624	39,122	68,489	73,686
Advertising	74,704	38,707	115,128	65,322
Data Processing	44,455	14,806	86,841	26,287
Shareholder Services	63,399	0	69,779	0
Supplies	81,996	51,514	149,667	75,988
Other expense	354,190	146,214	665,680	231,261
Total noninterest expenses	2,244,780	1,013,868	4,144,500	1,547,106
Loss before federal income tax	44,116	(921,251)	(32,994)	(1,446,459)
Federal income tax	0	0	0	0
Net income/(loss)	$ 44,116	$ (921,251)	$ (32,994)	$ (1,446,459)
Basic and diluted income/(loss) per share	.02	(.39)	(.01)	(1.26)
Average shares outstanding	2,480,621	2,336,554	2,607,170	1,148,553

</TABLE>

See accompanying notes to condensed consolidated financial statements.

MACATAWA BANK CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
Six Month Periods Ended June 30, 1999 and June 30, 1998
(unaudited)

<TABLE>

<S>	Six Months ended June 30, 1999 (Unaudited) <C>	Six Months ended June 30, 1998 (Unaudited) <C>
Cash flows from operating activities		
Net loss	$ (32,994)	$ (1,446,459)
Adjustments to reconcile net loss to net cash from operating activities		
Depreciation and amortization	314,042	79,681
Provision for loan losses	995,000	902,500
Net change in		
Accrued interest receivable and other assets	(305,771)	(1,014,001)
Accrued expenses and other liabilities	208,712	210,980
Net cash from operating activities	1,178,989	(1,267,299)
Purchase of Cash flows from investing activities		
Net increase in loans	(79,657,109)	(59,876,856)
Purchase of Federal Home Loan Bank Stock	(2,312,000)	-
Purchases of Securities available for sale	(8,000,000)	(16,000,000)
Proceeds from Maturities and calls of securities available for sale	15,000,000	2,000,000
Purchases of Premises and equipment	(1,667,584)	(1,900,063)
Net cash from investing activities	(76,636,693)	(75,776,919)

Cash flows from financing activities		
Net increase in deposits	50,554,158	59,908,714
Net decrease in short term borrowings	(2,000,000)	-
Proceeds from Federal Home Loan Bank borrowings	16,000,000	-
Proceeds from sale of stock	14,636,431	14,153,895
Net cash from financing activities	79,190,589	74,062,609
Net change in cash and cash equivalents	3,732,885	(2,981,609)
Cash and cash equivalents at beginning of period	17,953,177	7,415,120
Cash and cash equivalents at end of period	$21,686,062	$ 4,433,511
Supplemental disclosures of cash flow information		
Cash paid during the period for interest	$ 3,767,331	$ 430,961

</TABLE>

See accompanying notes to condensed consolidated financial statements.

MACATAWA BANK CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
Six Month Periods Ended June 30, 1999 (Unaudited) and June 30, 1998

<TABLE>

	Common Stock	Proceeds from Sale of Stock	Retained Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
<S>	<C>	<C>	<C>	<C>	<C>
Balance, December 31, 1997	$ 8,137,268		$ (165,525)	$ 264	$ 7,972,007
Proceeds from sale of stock		14,153,895			14,153,895
Net loss for six months ended June 30, 1998 (unaudited)			(1,446,459)		(1,446,459)
Other comprehensive income, net of tax: Unrealized gains/losses on securities				(19,684)	(19,684)
Other comprehensive income					
Comprehensive Income					(1,466,143)
Balance, June 30, 1998	$ 8,137,268	$ 14,153,895	$ (1,611,984)	$ (19,420)	$ 20,659,759

	Common Stock	Proceeds from Sale of Stock	Retained Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance, December 31, 1998	$ 22,260,646		$ (2,654,076)	$ 4,818	$ 19,611,388
Proceeds from sale of Stock		14,636,431			$

		14,636,431			
Net loss for six months ended June 30, 1999 (unaudited)			(32,994)		(32,994)
Other comprehensive income, net of tax:					
Unrealized gains/losses on securities					
Other comprehensive income				(239,903)	(239,903)

Comprehensive Income					(272,897)
Balance, June 30, 1999	$ 22,260,646	$ 14,636,431	$ (2,687,070)	$ (235,085)	$ 33,974,922
	============	=============	=============	===========	============

</TABLE>

See accompanying notes to condensed consolidated financial statements.

MACATAWA BANK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-QSB and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting only of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the six month period ended June 30, 1999, are not necessarily indicative of the results that may be expected for the year ended December 31, 1999. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Proxy Statement dated March 5, 1999, containing financial statements for the year December 31, 1998.

NOTE 2 COMPUTATION OF EARNINGS PER SHARE

Basic earnings (loss) per share is based on net income (loss) divided by the weighted average number of shares outstanding during the period.

NOTE 3 PRINCIPLES OF CONSOLIDATION

The accompanying condensed consolidated financial statements include the accounts of Macatawa Bank Corporation (the "Company), and its wholly-owned subsidiary, Macatawa Bank (the "Bank"). All significant intercompany accounts and transactions have been eliminated in consolidation.

NOTE 4 INITIAL PUBLIC OFFERING AND SUBSEQUENT OFFERING

The Company completed its initial public offering on April 7, 1998. The Company issued 1,495,000 shares of common stock in the initial public offering, resulting in net proceeds to the Company of $14,123,378. Pursuant to a prospectus dated April 30, 1999, the Company offered for sale up to 1,200,000 shares to it's existing shareholders at a purchase price of $12.75 per share. The purpose of the offering was to strengthen the Company's capital position in anticipation of future growth. The Company issued 1,153,440 shares in the offering, resulting in net proceeds of $14,636,431, subject to further adjustment based upon the final actual expenses incurred.

NOTE 5 COMPARATIVE DATA

The Company became the bank holding company for Macatawa Bank on February 23, 1998, when all of the Bank's outstanding common stock was converted into all of the outstanding stock of the Company and all of the Bank's shareholders became all of the Company's shareholders. The Bank had commenced its application process for regulatory approval on May 21, 1997, completed its initial sale of common stock on November 7, 1997, and opened for operations on November 25,

1997. The Company's first full year of operation was 1998 and therefore the financial results for the period ended June 30, 1998 differs substantially from the financial results for the period ended June 30, 1999.

NOTE 6 - SECURITIES

The amortized cost and fair values of securities were as follows:

Available for Sale
<TABLE>

<S>	Amortized Cost <C>	Gross Unrealized Gains <C>	Gross Unrealized Losses <C>	Fair Values <C>
June 30, 1999 (Unaudited)				
U.S. Treasury securities and obligations of U.S. Government corporation and agencies	$20,000,000	$ 0	$ (356,190)	$19,643,810
FHLB	2,312,000	0	0	2,312,000
Total Securities	$22,312,000	$ 0	$ (356,190)	$21,955,810
December 31, 1998				
U.S. Treasury securities and obligations of U.S. Government corporations and agencies	$27,000,000	$ 35,700	$ (28,400)	$27,007,300

</TABLE>

Contractual maturities of debt securities at June 30, 1999, were as follows. No held-to-maturity securities existed at June 30, 1999. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.
<TABLE>

	Available-for-Sale Securities	
<S>	Amortized Cost <C>	Fair Values <C>
Due from 1999 to 2002	$12,000,000	$11,826,420
Due from 2003 to 2007	8,000,000	7,817,390
No maturity	$ 2,312,000	$2,312,000
Total	$22,312,000	$21,955,810

</TABLE>

(Continued)

NOTE 7 - LOANS

Loans are as follows:
<TABLE>

<S>	June 30, 1999 (Unaudited) <C>	December 31, 1998 (Unaudited) <C>
Commercial	$153,041,401	$ 95,669,151
Mortgage	33,666,129	22,528,687
Consumer	30,831,332	19,684,422

	217,538,862	137,882,260
Allowance for loan losses	(3,024,493)	(2,030,000)
	$214,514,369	$ 135,852,260

</TABLE>

Activity in the allowance for loan losses is as follows:
<TABLE>

<S>	Six months ended June 30, 1999 (Unaudited) <C>	Six months ended June 30 1998 (Unaudited) <C>
Balance at beginning of period	$2,030,000	$ 7,500
Provision charged to operating expense	995,000	902,500
Charge Offs	(507)	-
Balance at end of period	$3,024,493	$ 910,000

</TABLE>

(Continued)

NOTE 8 - PREMISES AND EQUIPMENT - NET

Premises and equipment are as follows:
<TABLE>

<S>	June 30 1999 <C>	December 31 1998 <C>
Land	$ 1,377,184	$1,177,184
Building and improvements	4,100,402	3,661,701
Furniture and equipment	3,583,204	2,553,229
	9,060,790	7,392,114
Less accumulated depreciation	581,493	266,359
	$ 8,479,297	$7,125,755

</TABLE>
NOTE 9 - DEPOSITS

Deposits are summarized as follows:
<TABLE>

<S>	June 30 1999 <C>	December 31 1998 <C>
Noninterest-bearing demand deposit accounts	$ 26,539,550	$ 18,517,550
Money market accounts	85,518,386	71,091,206
NOW and Super NOW accounts	27,562,733	22,425,439
Savings accounts	6,675,591	5,812,028
Certificates of deposit	71,246,573	49,142,452
	217,542,833	$166,988,675

</TABLE>

NOTE 10 - FEDERAL HOME LOAN BANK BORROWINGS

The Bank was approved in the first quarter to be a member of the Federal Home Loan Bank of Indianapolis. As a result, the Bank now has availability to Federal Home Loan Bank advances as an additional funding resource. On March 30, 1999, the Bank utilized this resource and borrowed $10,000,000 in fixed rate loans. The Bank borrowed an additional $6,000,000 on June 29, 1999 with a variable rate. Maturity dates and interest rates on these advances are as follows:
<TABLE>

Maturity Date	Interest Rate	June 30 1999	December 31 1998

<S>	<C>	<C>	<C>
June 29, 1999	5.10% (initial rate)	$ 6,000,000	-
April 1, 2002	5.63% (fixed)	3,000,000	-
March 31, 2003	5.77% (fixed)	3,000,000	-
March 30, 2004	5.84% (fixed)	4,000,000	-
		-----------	---------
		$16,000,000	-
		===========	=========

</TABLE>

Each advance is payable in full at its respective maturity date. These advances were required to be collateralized by at least $26,000,000 of the Bank's first mortgage loans under a blanket loan arrangement at June 30, 1999.

(Continued)

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Macatawa Bank Corporation (the "Company") is a Michigan corporation and is the bank holding company for Macatawa Bank (the "Bank"). The Bank commenced operations on November 25, 1997. The Bank is a Michigan chartered bank with depository accounts insured by the Federal Deposit Insurance Corporation. The Bank provides a full range of commercial and consumer banking services, primarily in the communities of Holland and Zeeland, Michigan, as well as the surrounding market area primarily located i Ottawa County, Michigan.

The Company's initial plan of operation in November 1997 was to establish its management team within the first few months of its operations. Management believes that it has been successful in establishing a very experienced and capable management team which can administer the Company's growth.

The Company has experienced rapid and substantial growth since opening in November 1997 as total assets increased from $10,722,193 at December 31, 1997, to $268,231,490 at June 30, 1999. At December 31, 1998, the Bank had a total of eight branch banking offices and two service facilities. The Company also completed an underwritten initial public offering of common stock on April 7, 1998. By a prospectus dated April 30, 1999, the Company offered to its shareholders up to 1,200,000 shares of common stock at a purchase price of $12.75 per share. Although management believes the Company will continue to grow in 1999, the rate of increase is not expected to be as rapid as it was in 1998.

The Bank established a Trust Department in the fourth quarter of 1998 to further provide for customers' financial needs. The Trust Department began business on January 3, 1999 and as of June 30, 1999, had assets of approximately $123 million.

Financial Condition

Total assets of the Company increased by $79,001,542 to $268,231,490 at June 30, 1999, from $189,228,673 at December 31, 1998. The increase in assets is primarily attributable to the Bank continuing to attract customer deposits and then lending and otherwise investing these funds. The second quarter of 1999 was the Company's sixth full quarter of operations, and the number of deposit accounts increased from approximately 14,000 at December 31, 1998, to approximately 20,000 deposit accounts at June 30, 1999. Management attributes the strong growth in deposits to quality customer service, the desire of customers to deal with a local bank, and convenient accessibility through the expansion of branches. The Company anticipates that the Bank's assets will continue to increase during 1999, which will be the Bank's second full year of operations. However, management does not believe that the rate of increase will be as rapid as it was during 1998.

Cash and cash equivalents, which include federal funds sold and short-term investments, increased $3,732,885 to $21,686,062 at June 30,1999, from $17,953,177 at December 31, 1998. The increase is primarily the result of deposit growth since December 31, 1998.

Securities available for sale decreased $5,051,490 to $21,955,810 at June 30, 1999 from $27,007,300 at December 31, 1998. The decrease is the result of called securities.

Total loans increased $79,656,602 to $217,538,862 at June 30, 1999 from $137,882,260 at December 31, 1998. While management believes that total loans will continue to increase, the rate of increase in the future will be substantially less than the rate of increase during the Company's first full year of operations.

The allowance for loan losses as of June 30, 1999, was $3,024,493 representing approximately 1.39% of gross loans outstanding, compared to $2,030,000 at December 31, 1998. Macatawa Bank has not experienced any material credit losses as of June 30, 1999.

Bank premises and equipment increased to $8,479,297 at June 30, 1999 from $7,125,755 at December 31, 1998. The increase resulted primarily from the purchase of furniture and equipment.

Deposits increased to $217,542,833 at June 30, 1999, from $166,988,675 at December 31, 1998. This was primarily as a result of deposits being obtained from new customers of the Bank.

Results of Operations

Management believes that the Company will realize a modest profit for 1999. Earnings will continue to be curtailed for much of 1999 as a result of additional loan loss reserves, together with the time needed to more effectively utilize its capital and generate loan interest and fee income by making additional loans. Management believes that the expenditures made in 1997, 1998 and 1999 will create the infrastructure and lay the foundation for future growth and profitability in subsequent years.

Interest income for the three months ended June 30, 1999 in the amount of $4,663,222, related to interest income on securities, loans, and interest earning deposits. Interest expense was $2,191,906 for the three months ended June 30, 1999, and was related to interest incurred on interest bearing deposits and FHLB borrowings.

The Company had an allowance for loan losses of approximately 1.39% of total loans at June 30, 1999. The provision for loan losses for the three months ended June 30, 1999 was $545,000. This amount was provided as a result of the increase in the total loan portfolio. Management considers it prudent during the first years of operations to provide for loan losses at a relatively high percentage of total loans to be consistent with the loss inherent in similar loan portfolios. Management will continue to monitor its loan loss performance and adjust its loan loss reserve to more closely align itself to its own history of loss experience. This may reduce its loan loss reserve as a percentage of total loans in the future.

Non-interest income for the three months ended June 30, 1999, was $362,580, consisting primarily of gain on sales of loans. These loans consisted primarily of conforming mortgage loans which were sold to the secondary market. Management believes this activity will continue to be a significant source of non-interest income in 1999. At the present time, the Bank is not servicing the loans it sells, but may consider doing so in the future. The Bank also recorded a modest amount of trust fee income in the second quarter. As trust assets grow, management believes that trust assets will be a significant source of non-interest income during 1999.

The main components of non-interest expense were primarily salaries and benefits. Non-interest expense for the three months ended June 30, 1999, was $2,244,780. Other significant components of non-interest expense consisted of occupancy and equipment expenses, legal and accounting fees, marketing expenses, data processing, shareholder services and supplies.

Liquidity and Capital Resources

The Company obtained its initial equity capital as a result of a private placement on behalf of the Bank to investors in November, 1997. The Company raised additional equity capital in its initial public offering completed April 7, 1998, which resulted in net proceeds of $14,123,378. As a condition to regulatory approval of the Bank's formation, the Bank is required to maintain capitalization sufficient to provide a ratio of Tier 1 Capital to total assets of at least 8% at the end of the third year of its operations. At March 31, 1999 the Bank's Tier 1 Capital as a percent of total assets was 8.43% Due to the rapid growth of the Bank, additional equity capital was required. The Company filed a Registration Statement with the Securities and Exchange Commission to register and offer to the Company's shareholders up to 1,200,000 shares of Common Stock for a purchase price of $12.75 per share. The common stock was offered exclusively to shareholders of the Company as of April 9, 1999. Shareholders were entitled to purchase one share for each two shares of Common Stock they owned on April 9, 1999. The rights offering was completed on June 4, 1999 and resulted in additional equity capital to the company in the amount of $14,636,431. The Company added $10,000,000 from the proceeds of the offering to the Bank's capital. At June 30, 1999, the Bank's Tier 1 Capital as a percent of total assets was 10.83%. The Company has approximately $5 million in additional capital which it could contribute to the Bank's capital if necessary.

The Company's sources of liquidity include loan payments by borrowers, maturity and sales of securities available for sale, growth of deposits and deposit equivalents, federal funds sold, borrowings from the Federal Home Loan Bank, and the issuance of common stock.

Asset liability management aids the Company in maintaining liquidity while maintaining a balance between interest earning assets and interest bearing liabilities. Liquidity management involves the ability to meet the cash flow requirements of the Company's customers. These customers may be either borrowers with credit needs or depositors wanting to withdraw funds. Management of interest rate sensitivity attempts to avoid widely varying net interest margins and to achieve consistent net interes income through periods of changing interest rates.

Year 2000 Compliance

Because many computerized systems use only two digits to record the year in date fields (for example, the year 1998 is recorded as 98), such systems may not be able to accurately process dates ending in the year 2000 and after. The effects of the issue will vary from system to system and may adversely affect the ability of a financial institution's operations as well as its ability to prepare financial statements. The Company and the Bank were organized in 1997 and the Company acquired its computer equipment within the past eighteen months and has contracted with a leading supplier of information processing services. This equipment and these services were purchased with manufacturer assurances of Year 2000 compliance.

Company management has developed and the Board of Directors has approved a comprehensive Year 2000 Compliance Plan. The plan consists of five phases: awareness, assessment, renovation, validation and implementation. The Company has an internal task force to assess Year 2000 compliance by the Company, its vendors, and major deposit customers. In addition, the Bank asks commercial borrowers about Year 2000 compliance as part of the loan application and review process.

To date, the Company has spent approximately $28,000 on Year 2000 compliance. Management believes that the additional costs to complete the Company's Year 2000 compliance will be minimal.

The Company completed its Year 2000 assessment and made any necessary remediation by June 30, 1999. However, there can be no assurance that the Company will be successful in implementing its Year 2000 remediation plan according to the anticipated schedule. In addition, the Company may be adversely affected by the inability of other companies whose systems interact with the Company to become Year 2000 compliant.

The Bank's core processing applications are provided by a third party vendor, Rurbanc Data Services, Inc. (RDSI). The Company receives regular correspondence from RDSI which documents the status of their Year 2000 compliance. The Company has been advised that RDSI's software has been successfully tested for Year 2000 compliance.

Although the Company expects its internal systems to be Year 2000 compliant as described above, the Company is in the process of preparing a contingency plan that will specify what it plans to do if important internal or external systems are not Year 2000 compliant in a timely manner.

Management does not anticipate that the Company will incur material operating expenses or be required to invest heavily in computer system improvements to be Year 2000 compliant. Nevertheless, the inability of the Company to successfully address Year 2000 issues could result in interruptions in the Company's business and have a material adverse effect on the Company's results of operations.

Recent Regulatory Developments

Various bills have been introduced in the Congress that would allow bank holding companies to engage in a wider range of nonbanking activities, including greater authority to engage in securities and insurance activities. While the scope of permissible nonbanking activities and the conditions under which the new powers could be exercised varies among the bills, the expanded powers generally would be available to a bank holding company only if the bank holding company and its bank subsidiaries remain well-capitalized and well-managed. The bills also impose various restrictions on transactions between the depository institution subsidiaries of bank holding companies and their non-bank affiliates. These restrictions are intended to protect the depository institutions from the risks of the new nonbanking activities permitted to such affiliates. At this time, the Company is unable to predict whether any of the pending bills will be enacted and, therefore, is unable to predict the impact such legislation may have on the operations of the Company and the Bank.

Forward Looking Statements

This report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Reform Act of 1995, and is including this statement for purposes of these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words "believe," "expect," "intend," "anticipate," "estimate," "project," "may" or similar expressions. The presentation and discussion of the provision and allowance for loan losses, statements concerning future profitability or future growth or increases, and the Year 2000 readiness discussion are examples of inherently forward looking statements in that they involve judgements and statements of belief as to the outcome of future events. The Company's ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse affect on the operations and future prospects of the Company and the Bank include, but are not limited to, changes in: interest rates, general economic conditions, legislative/regulatory changes, monetary and fiscal policies of the U.S. Government, including policies of the U.S. Treasury and the Federal Reserve Board, the quality or composition of the loan or investment portfolios, demand for loan products, deposit flows, competition, demand for financial services in the Company's market area and accounting principles, policies and guidelines. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Further information concerning the Company and its business, including additional factors that could materially affect the Company's financial results, is included in the Company's filings with the Securities and Exchange Commission.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 2. Changes in Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Securities Holders.

(a) The annual meeting of shareholders of the Corporation was held on April 15, 1999 ("Annual Meeting")

(b) The following directors were elected at the Annual Meeting for terms expiring in 2002: Robert E. Den Herder, James L. Jurries and Philip J. Koning. Other directors whose terms continued after the meeting are as follows: James J. Batts, G. Thomas Boylan, Wayne J. Elhart and Benjamin A. Smith III, whose terms expire in 2000; and Jessie F. Dalman, John F. Koetje and Brian J. Hansen, whose terms expire in 2001.

(c) At the Annual Meeting, three directors were elected for terms expiring in 2002 and shareholders approved an amendment to the Stock Compensation Plan increasing the maximum number of shares available under the Plan from 100,000 to 200,000.

The vote was as follows:

	FOR	AGAINST	ABSTAIN (Including Broker Nonvotes)
Director Nominees:			
Robert E. Den Herder	1,946,366	920	60,430
James L. Jurries	1,946,836	450	60,430
Philip J. Koning	1,947,026	260	60,430
Amendment to Stock Compensation Plan	1,877,830	54,303	75,583

</TABLE>

Item 5. Other Information.

None.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits -

27 Financial Data Schedule
(EDGAR version only)

(b) Reports on Form 8-K - None.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Quarterly Report on Form 10-QSB for the quarter ended June 30, 1999, to be signed on its behalf by the undersigned, thereunto duly authorized.

MACATAWA BANK CORPORATION

/s/ Benj. A. Smith, III
Benj. A. Smith, III
Chairman and Chief Executive Officer

/s/ Philip J. Koning
Philip J. Koning
Treasurer and Secretary
(Principal Accounting Officer)

DATE: August 11, 1999

<TABLE> <S> <C>

<ARTICLE> 9
<LEGEND>
This schedule contains summary financial information from SEC Form 10-QSB and is qualified in its entirety by reference to such financial information.
</LEGEND>

<S>	<C>
<PERIOD-TYPE>	6-MOS
<FISCAL-YEAR-END>	DEC-31-1999
<PERIOD-START>	JAN-01-1999
<PERIOD-END>	JUN-30-1999
<CASH>	12,686,062
<INT-BEARING-DEPOSITS>	152,118
<FED-FUNDS-SOLD>	9,000,000
<TRADING-ASSETS>	0
<INVESTMENTS-HELD-FOR-SALE>	21,955,810
<INVESTMENTS-CARRYING>	0
<INVESTMENTS-MARKET>	0
<LOANS>	217,538,862
<ALLOWANCE>	3,024,493
<TOTAL-ASSETS>	268,231,490
<DEPOSITS>	217,542,833
<SHORT-TERM>	6,000,000
<LIABILITIES-OTHER>	713,725
<LONG-TERM>	10,000,000
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<COMMON>	36,895,802
<OTHER-SE>	(2,687,070)
<TOTAL-LIABILITIES-AND-EQUITY>	268,231,490
<INTEREST-LOAN>	7,568,141
<INTEREST-INVEST>	730,233
<INTEREST-OTHER>	0
<INTEREST-TOTAL>	8,298,374
<INTEREST-DEPOSIT>	3,759,357
<INTEREST-EXPENSE>	3,943,593
<INTEREST-INCOME-NET>	4,354,781
<LOAN-LOSSES>	995,000
<SECURITIES-GAINS>	0
<EXPENSE-OTHER>	4,144,500
<INCOME-PRETAX>	(32,994)
<INCOME-PRE-EXTRAORDINARY>	(32,994)
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	(32,994)
<EPS-BASIC>	(0.01)
<EPS-DILUTED>	(0.01)
<YIELD-ACTUAL>	4.29
<LOANS-NON>	0
<LOANS-PAST>	248,104
<LOANS-TROUBLED>	0
<LOANS-PROBLEM>	0
<ALLOWANCE-OPEN>	2,030,000
<CHARGE-OFFS>	507
<RECOVERIES>	0
<ALLOWANCE-CLOSE>	3,024,493
<ALLOWANCE-DOMESTIC>	3,024,493
<ALLOWANCE-FOREIGN>	0
<ALLOWANCE-UNALLOCATED>	0

</TABLE>